Will British Columbia Go Socialist? (Page 14)

THE FINANCIAL POST

The Canadian Newspaper for Businessmen and Investors

Largest Circulation of All Canadian Financial Papers

Vol. XXXIII Member of Audit Bureau of Circulations ★ PUBLICATION OFFICE: TORONTO, AUGUST 26, 1939 ★ 10c a Copy; $5.00 a Year No. 34

The Nation's Business

Defense Facts Must Be Faced

THIS week The Financial Post presents some facts, of interest to every citizen, regarding the operations of the Department of National Defense.

These facts, alarming as they are, are facts that no newspaper would have a right to play down or conceal in an hour of crisis when Canada's security is menaced.

The facts have been obtained in an investigation that has been proceeding for months.

In the face of these facts—which will be supplemented by further information in the weeks to come—the need is clearly indicated for an immediate change in the administration of our national defenses.

* * *

THE Prime Minister took no action to achieve such a shakeup when the Bren gun exposure indicated that political favoritism, incompetence and wasteful spending were rife in the defense administration.

He permitted the minister who was guilty of placing that improvident contract to continue in office and to continue to travel around Canada, allaying public suspicions and public concern with his honeyed words that all was well, while attacking his critics as though they were enemies of the State.

Tomorrow there may be war. War in which Canada will be involved.

Can this country face the prospect of such an emergency—even the remote possibility of it—with any confidence so long as the national defenses continue under such a rule of incompetency?

* * *

Russia's Rôle In World Crisis

WELL-INFORMED commentators do not place on the proposed Russo-German "non-aggression" pact the catastrophic interpretations given it by many people.

A "non-aggression" pact under present conditions, particularly one with either Germany's or Russia's signature on it, can be little more than a scrap of paper of purely psychological or emotional value.

Cable dispatches say that negotiations for the pact have "amazed and astounded" the British Foreign Office. This can hardly be correct. The British authorities weeks ago made up their minds that they were dealing with an unknown quantity in Soviet Russia's Josef Stalin. This was made clear in an article written by Horace T. Hunter, president of The MacLean Publishing Company, that appeared in the July 15 issue of The Financial Post.

A rereading of that article at this time will help to put the present position in better focus. We quote the following very pertinent paragraphs which Mr. Hunter presented in what he called "an unchallengeable interpretation of what Mr. Chamberlain and Lord Halifax have in their hands."

"Negotiations with Russia will continue but they have been far from satisfactory. The Russians have permitted the discussions to drag. Agreement on one point is merely the signal for further demands from the Soviet. It is difficult to know whether Stalin seriously desires a non-aggression alliance with Britain or France or is merely playing with the western democracies for some ulterior motive.

"Having initiated the conversations, Britain, for reasons of prestige, must continue them and seek to achieve an understanding. For that reason she has made concessions that she would not otherwise have made. But Great Britain has serious doubts as to the effectiveness either of an understanding with Russia or of the value and character of Russian support in an emergency."

* * *

SO FAR the "crisis" has been going according to plan. We have had months of warnings of it. For instance, Mr. Hunter's final cable from London (published in the July 29 issue) made reference to a conversation with an important member of the Cabinet, who was reported as saying: "The odds for peace or war are about even." There would be a major crisis this fall, but he hoped for a peaceful settlement.

The outcome of this crisis may be peace. It may be war. No one can answer that question now. But we cannot say we have not had ample evidence of the ulterior game being played by the leader of world Communism. His greatest wish is the weakening of all other countries—whether the fascist powers or the democratic powers—in the hope that Bolshevism may overrun the world and all Europe be made the vassal of an Asiatic Empire.

Even a "scrap-of-paper" pact with Russia may be more of a liability than an asset to Germany.

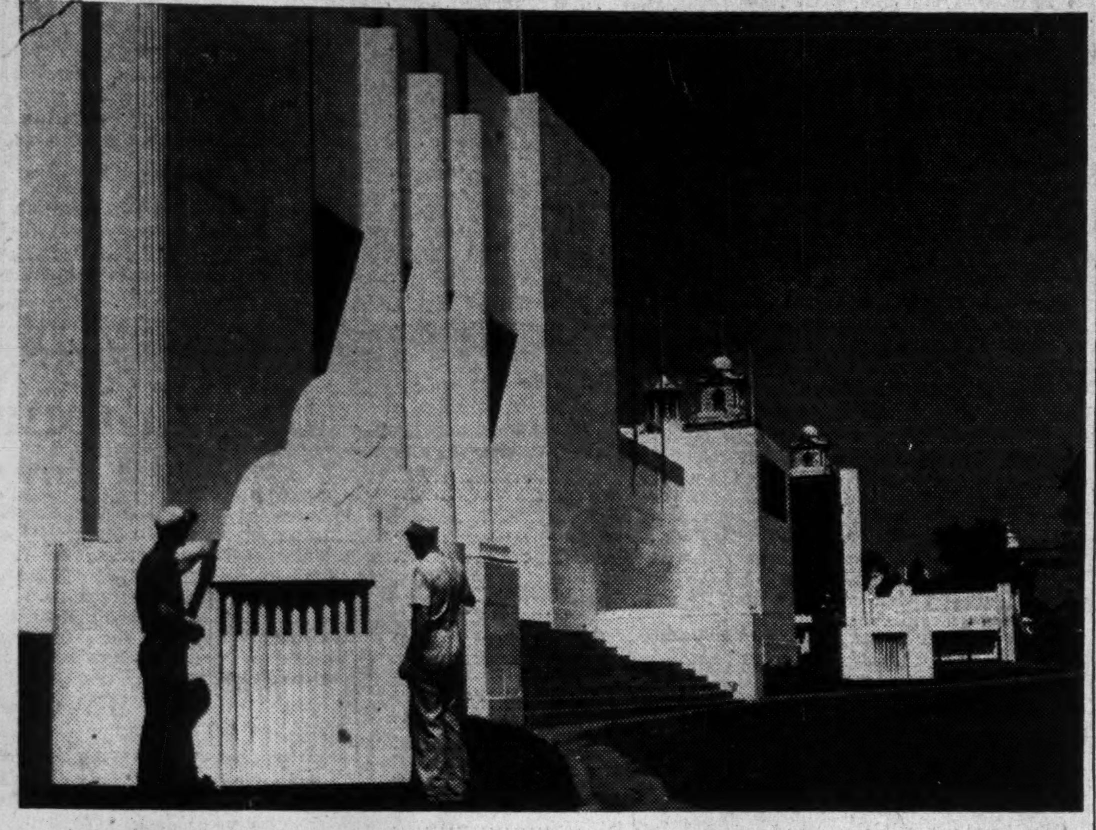
* * *

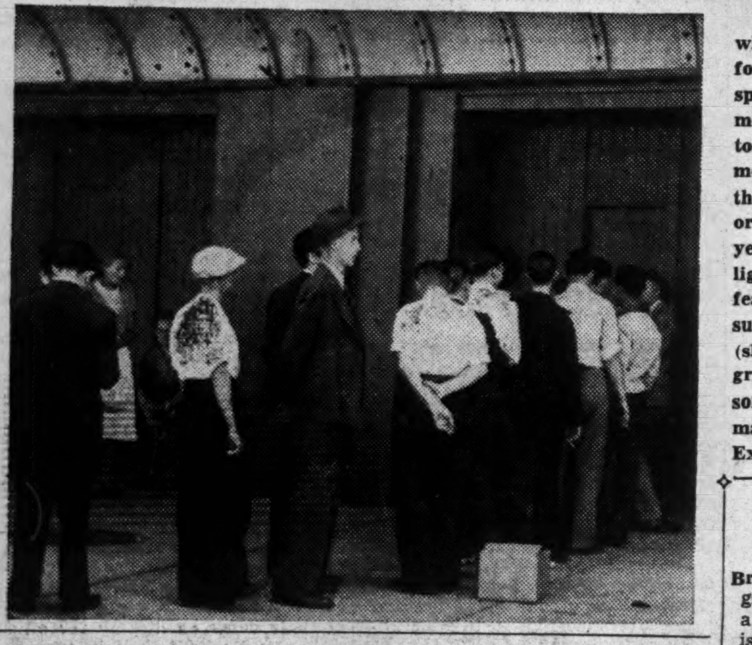
Unemployment Still Major Problem

BARRING war, relief and unemployment remain the Number One problems of the American continent.

Not even rosy headlines inspired by rising employment figures can hide the bitter, stubborn fact that relief, and jobless men and women,

(Continued on page 2, col. 3)





The Canadian National Exhibition, which opens at Toronto this week for its annual fortnight season, has spruced up its montage and equipment considerably in recent years to make it as much as possible a modern, efficient "show window of the nation." The million and a half or more visitors expected for this year's show will see streamlined lighting, decorative and display features, and modernistic structures such as the International Pavilion (shown in The Financial Post photograph above). Below are seen some of the applicants for the estimated 5,000 jobs created by the Exhibition's two weeks of operation.

Bondholders' Agents Study Can. Vickers

Protective Committee May be Formed After Enquiries

PROGRESS IS MADE

From Our Own Correspondent

MONTREAL. — Formation of a protective committee for the holders of Canadian Vickers 6% mortgage bonds and the guaranteed bonds of its subsidiary, Montreal Dry Docks Ltd., is in prospect.

The matter has been discussed in several quarters, though no concrete action has been taken toward setting up the personnel of the proposed committee. As far as can be learned nothing definite is likely to be done along these lines pending the outcome of certain enquiries.

One investigation is being carried out on behalf of the trustees of the two bond issues. It is not a detailed survey. A report will be made shortly to the trustees along general lines as to what are regarded as necessary steps leading up to the financial rehabilitation of the company.

A second development being awaited is appearance of a plan of reorganization to be put forward by the directors. A small committee, composed of J. E. Labelle, N. A. Timmins and J. McL. Stephen, is understood to be working toward that end. There are no indications as to when this plan will be completed.

Move Was Forecast

When the financial statement for February 28, 1939, was released last June, J. E. Labelle, president, told the shareholders that a series of successive losses had proved a serious drain on working capital. It was pointed out that sinking fund payments on the bonds had been suspended in order to conserve liquid resources.

Mr. Labelle stated that at the time —June—a survey of production facilities and selling organization was being made by an engineer to appraise the company's competitive position and to effect all possible economies. A report on this survey has been made to the management.

Need Working Capital

While a number of improvements are expected to result from the survey, the company still is in need of strengthening its financial position and Mr. Labelle clearly indicated the necessity of reorganization.

At the annual meeting, held toward the end of last June, the president told the shareholders that steps had been taken to collect the $270,000 due from subscribers for capital stock. This item had been carried on the books of the company for 10 years as a "current asset."

Collect More Money

On July 14, a block of 1,500 additional common and preferred shares was issued, indicating that the subscribers had taken up $135,000 of their original commitment of $270,000. Since then it is learned that amount of stock taken up has reached about $200,000. This would be equivalent to around 2,200 units of the original 3,000 units subscribed.

A month after the annual meeting it was officially intimated that no provision would be made for pay-

(Continued on page 2, col. 6)

Highlights

British Columbia's effort to fight the growing flames of Socialism with a blaze of New Dealish legislation is harassing business and industry, and has produced a complex situation that is shrewdly appraised in a full dress survey of the Pacific province's position.

Will Socialists Capture B.C.?—p. 14

* * *

As canning companies in Canada approach their annual period of peak activity, The Financial Post presents a staff analysis of what their outlook holds as to earnings and possibilities for investors.

Canning Industry—p. 10.

* * *

Undeveloped mining areas in Canada hold great possibilities of future productiveness, judging from the record of existing Canadian gold mines and the known geological set-up of the regions involved.

New Mine Crop—p. 13.

* * *

Newsprint production to the end of July continued greater than consumption, increasing paper stocks. Significance behind the figures is detailed in

Newsprint Acceleration—p. 5.

* * *

General Index on p. 2.

War Orders Mission Gains Definite Results

Canadian Delegation to Great Britain Reported Successful

Concrete results have been achieved, The Financial Post understands, by the Canadian Manufacturers' Association mission which went to England a month ago, to explore prospect of Canadian production of war materials.

Definite announcement is expected soon of the nature of the headway made, and possibly of a specific plan of procedure initiated as a result of the delegation's journey to London.

At the time of the departure of the mission, which included Government technicians and defense experts, its stated objective was to lay foundations for a long-term policy regarding production in Canada of defense supplies for both Canadian and British requirements. Chief aim, it was said, was not so much to obtain particular orders for war materials, but to ascertain British requirements and policy and how best Canadian industry might be organized to meet them.

Definite Orders Possible

The expected announcement of what the mission has accomplished will likely reveal whether results of the visit are in the nature of agreement on policy and general plant, or whether the journey has resulted in actual orders. In view of the critical situation abroad this week, it would not be surprising if British authorities had asked the mission to undertake immediate and specific projects for war materials output.

Good Progress

Earlier information on the activities of the delegation since it arrived in England, indicates that progress has been even more definite and encouraging than expected. Numerous important contacts have been made, it is said, and productive negotiations undertaken. It would appear that a working basis had been achieved for future negotiations leading to orders in Canada, and that apparent lack of interest by British authorities in Canadian reserve capacity for defense supply production had been ended.

Organization of the mission followed representations to Prime Minister Mackenzie King some weeks ago, in which the C.M.A. sought the support and encouragement of the Government in its efforts to mobilize Canadian industrial resources for producing defense equipment. Prior to this, members of the association had complained there seemed to be a blockade on British war orders coming to Canada in any volume.

Tip Top Tailors To Build Store

Tip Top Tailors Ltd. will build a new building on Yonge St., Toronto, to replace its present downtown unit, the lease for which will expire in Oct., 1940, The Financial Post is informed.

Cost of the structure has not yet been determined, nor have contracts been let. The new store will be the largest and most up-to-date unit in the Tip Top chain of men's and women's clothing stores.

Bata Plant Ready For Initial Output

Production to Start Next Week at Canadian Factory

Rapid progress made by the Bata shoemaking interests of Czecho-Slovakia in setting up a production unit in Canada will likely permit preliminary production operations to be started next week, The Financial Post is informed.

If present prospects materialize, actual production at the Bata plant at Frankford, Ont., will have been launched within two months from the time establishment of the Canadian project was assured, by admission of technicians and key production men from abroad.

First items to be made at the plant will be samples of a line of low price women's shoes for both Canadian and export distribution. Production in any volume is not expected for some months, as it will take time to train Canadian employees in the Bata production technique and use of special Bata machinery.

In the meantime, tenders have been called for erection of the main unit of the new structures in which the Bata enterprise in Canada will be housed. At present, the large amount of machinery shipped from Bata units abroad is temporarily housed in a one-time paper mill at Frankford. The new factory building for which tenders have been called is to be five stories high.

U. S. Advertising Linage Moves Ahead in July

From Our Own Correspondent

MONTREAL.—Newspaper advertising in 52 key cities in the United States during July continued to hold its own and for the fourth successive month this year registered a slight gain, according to returns filed by Editor and Publisher from Media Records and Measurements. During July total linage was 85.4 millions, an increase of 2.1% over the same month last year. All classifications showed gains except retail, which was off less than half of 1%.

Automotive, with its 15.3% gain for the month, paced the other classifications, with financial a comfortable second with its 13.4% and general third with a 7.5% increase.

Defense Deputy Breaks Down See Department Disorganized

The Windsor Daily Star publishes the following news dispatch from its Ottawa correspondent:

"Within the past week the deputy minister of national defense, Major General L. R. LaFleche, has left his post as a result of a physical breakdown. The place to which he has gone to recuperate is not divulged by the department. The period during which he is expected to be absent is similarly a closely guarded secret. There is gossip, however, to the effect that he may be away for six months.

"This development inevitably has introduced a high element of disorganization into the national defense department, which was functioning to an important extent on the principle that General LaFleche was a keyman. At the same time it has been common knowledge for the past several months that the organization of the defense department, even with General LaFleche present, has fallen far short of clockwork efficiency. For one thing, there has been more than a suspicion that patronage has been associated with contracts that the department has been awarding —in spite of the creation of the defense purchasing board and other supposed safeguards. As a matter of fact, there is serious room for doubting whether the defense purchasing board has really functioned or become an effective agency in the department as yet.

Doubtful Efficiency

"When the doubtful efficiency of the defense department is impaired by the withdrawal of General LaFleche, one of the key figures in its organization, a situation exists which, in the face of the present international situation, calls imperatively for some remedy. For several months now, however, the prime minister has been apparently indifferent to the obvious fact that public confidence in the department of national defense has been at a low ebb. There is nothing to suggest that Mr. King proposes to alter his attitude and intervene in the present situation.

"As a consequence, observers on Parliament Hill believe that an urgent need exists for the facts of the defense department administration in the present situation being laid before Parliament. If the cloud under which the department has been resting for some time past is mere smoke, with no fire beneath it, public confidence would at least be reassured and restored by having the situation fully investigated. It goes without saying that the matter should not be one for any political motive or manoeuvring. The question is one of higher national importance and should be approached by all parties in Parliament on non-political grounds."

See Wheat Crop Over 400 Millions

From Our Own Correspondent

WINNIPEG.—In many districts threshing returns are proving that more wheat is being produced than was predicted in pessimistic reports shortly before cutting. Owing to the extreme variability of yields from one district to another, and sometimes within the same field, all estimates are still made with some hesitation, but the consensus of opinion places the probable total crop at something over, rather than under, four hundred million bushels.

In most areas coarse grains crops are below average, but abundant pasture and hay, a considerable carryover of coarse grains, and the plentiful supply of low grade wheat in sight, prevent any possibility of scarcity of feed grains for livestock.

Canada's Defense Crisis

What Have We to Show for the Millions We Have Spent? — Mr. Mackenzie's Statements Versus the Real Facts

The world is in the throes of another crisis. The issue of peace and war trembles in the balance. Today no more vitally important question confronts the Canadian people than the state of the nation's defenses.

In this hour of grave peril, in which no one can forecast from day to day what the morrow may bring forth, Canadians must consider anxiously the manner in which this country is to be defended against attack.

Canadians are asking themselves if the defenses of the country are in the hands of a minister in whom they can have confidence. They are asking themselves if that minister has spent our defense millions wisely and effectively.

The minister, Hon. Ian Mackenzie, has been making soothing public statements, designed to indicate that he and his officials have been alert and active.

The actual facts are that there has been appalling lack of efficiency in the administration of our defense department; an improvident expenditure of the funds voted by Parliament; and a minimum of results for the money spent.

The Financial Post has been some months engaged in an investigation of facts. It intends to present them to the people, disturbing as they are, **because they are facts that are vitally important to the Canadian people at this time. The people are entitled to have them.**

During the past four years Parliament has voted $154.9 millions to arm the country against the emergency that now looms on the horizon and that tomorrow may become a devastating actuality.

Some $90 millions has already been spent; the remainder is now being spent.

With what result?

Consider these stark facts:

1 THE minimum first line strength of an Air Force sufficient to defend Canada is stated by the Minister of National Defense to be 312 service planes.

On April 1, 1939, the actual first line strength of the Royal Canadian Air Force was fourteen modern service type planes.

2 AT Vancouver, May 26, 1939, the Minister of National Defense stated he was receiving deliveries of planes from Canadian aircraft factories "at the rate of eight or ten a month."

During the month in which the Minister made that statement, there is reason to believe that the actual deliveries of planes from Canadian aircraft plants to the Department of National Defense were two.

3 DURING the Munich crisis of last September, the Air Force was mobilized to defend Canada's East Coast.

To meet that emergency the Minister was able to muster only six modern service type planes.

In the light of such facts, can the country face the future with any confidence or assurance that its defense millions have been well and wisely administered?

In the light of such facts, does the administrative record of Hon. Ian Mackenzie, Minister of National Defense, indicate that he has the capacity to shoulder the gravest responsibility which has confronted any Minister of Defense since the Great War?

* * * *

Mr. Mackenzie's recent public utterances have shown that he is aware of the vital importance of air defense.

The Minister has informed Parliament that on April 1, 1939, 109 new planes were on order for the Air Force. He has said that the current fiscal year's air vote of $29,775,000 will provide an additional 183 machines.

He has expressed himself as being satisfied with the rate at which these new planes were being delivered.

Speaking to the British Columbia Division of the Canadian Manufacturers' Association at Vancouver on May 26, as reported in the June issue of "Industrial Canada," Mr. Mackenzie said:

> "Deliveries are being received now with great regularity from the Canadian industry. The Air Force is being augmented with new planes produced by Canadian factories at the rate of eight or ten a month . . ."

That sounds reassuring enough. But what are the facts?

During recent weeks The Financial Post has examined all the available contracts entered into by the Department of National Defense for the purchase of aircraft. It has also made a survey of the Canadian aircraft industry with a view to ascertaining the rate of output of all plants producing military planes during the first six months of 1939.

So far as The Post has been able to learn from this extensive survey, the actual deliveries of planes to the Department from Canadian factories have totalled, not "eight or ten a month," but not more than eight or ten during the entire six months to June 30.

This indicates that the rate of delivery for the period was approximately one and a half planes per month instead of eight or ten. Moreover, there is reason to believe that the actual deliveries were two during the month in which the Minister said: "The Air Force is being augmented with new planes produced by Canadian factories at the rate of eight or ten a month."

Furthermore, Mr. Mackenzie neglected to inform the manufacturers —and has neglected to inform the Canadian public:

1. That an order dated June 2, 1937, which called for delivery of the first plane by June 2, 1938, did not produce its first delivery until August 2, 1939—fourteen months late.
2. That an order dated November 2, 1937, which called for delivery of the first plane by November 2, 1938, as yet has produced no deliveries.
3. That an order dated February 28, 1938, which called for delivery of the first plane by February 28, 1939, did not produce its first delivery until August, 1939.
4. That for a period of more than fourteen months subsequent to April 27, 1938, he ordered no planes at all from Canadian factories, although he ordered upwards of 90 planes from Great Britain and the United States between February and June of this year.

No doubt Mr. Mackenzie will plead that it takes time to develop production of military aircraft. Quite true. But the Minister, on his own statement, has had more than three years and a half to deal with his problem.

In a formal review of his administrative record as Minister of National Defense, delivered in the House of Commons, April 26, 1939, he indicated that as far back as November, 1935, he was fully informed as to "the state of the departmental organization **in relation to the tasks confronting it."**

During that month (November, 1935) the Minister, according to his own statement, received reports from the heads of the three fighting services which revealed "a most serious state of deficiency in equipment." As a result "the Government immediately decided upon a policy of strengthening the national defenses."

It was laid down as a basic policy "that the first line of defense for the Dominion of Canada must be the Air Force"; and that development of the Air Force would have priority over the Naval and Militia services.

The Minister described the minimum air defense for Canada as "an air force consisting of a peacetime basis of eleven permanent and twelve non-permanent squadrons, which is considered the minimum for any effective defense plan."

This minimum, he stated, called for the provision of 312 first line service planes and 215 training planes, a total of 527.

It also called for a total personnel of 7,259 officers and airmen.

* * * *

Such was the programme.

How far has it been carried out?

Mr. Mackenzie assumed office October 23, 1935, but he places the

(Continued on page 2, col. 4)

War Prospect Shelves Plans For Fall Vote

Crisis May Defer Election Until 1940, Perhaps Longer

CABINET WATCHES

From Our Own Correspondent

OTTAWA.—The deepening crisis in Europe this week postponed calling of a general election, and may compel putting it off until next year at the earliest. If war should break out it is by no means certain that there would even be an election in 1940. The precedent of 1914-17 would probably be followed, and Parliament would extend its term of life year by year while hostilities continued.

Liberal leaders who have been urging Mr. King for weeks to dissolve Parliament and go forthwith to the country, are now silent.

Reports Alarming

Dispatches reaching the Government from various European capitals during the week were highly alarming. The reports indicate that Germany, following her lightning success in the non-aggression pact with Russia, will exploit her advantageous position to the utmost.

Settlement of the Danzig and Polish questions, on Germany's terms, is now expected within a fortnight, whether or no the settlement provokes a war. The German army, it is understood, is completely mobilized and reached its peak of power on or about Aug. 15.

Situation Watched

The Government, grateful for the fact that Parliament is still alive and can be summoned on a few days notice, is watching the events in Europe carefully. While there is no controversy within the Cabinet as to the course which Canada will pursue, the procedure laid down in the neutrality debates of last session will be followed with meticulous care.

The Government, as pledged by Mr. King and Hon. Ernest Lapointe, stands for intervention by Canada in any war of major proportions involving Britain, but the extent of the participation will be for Parliament to decide. No action to summon Parliament, however, is expected until war either breaks out or is deemed to be inevitable.

Mortgage Plan Nearly Ready

Negotiations Progress Between Central Bank and Companies

With preliminary discussions of the broad outlines of the new Central Mortgage Bank completed between institutional representatives and Bank officials, the organization this week moved one step nearer to realization.

There still remains clarification of essential features of the bank, but it is predicted that membership agreements will be ready for signature within six weeks time.

Before acceptance of membership by eligible organizations there must be assurance that valuations of urban and rural properties settled upon are satisfactory. For this purpose sample valuations are being taken over the Dominion.

After determination of what organizations stand to lose or gain through joining the bank, they will be ready to outline their attitude as to entering into an agreement.

Obstructive Statutes

There is still obstructive legislation in the Prairie Provinces, which must be removed to make the bank workable. Where such legislation is not removed by provincial governments, the Bank is not required to act. If the objectionable legislation is not removed within two years, the bank will not operate in the province.

The need for haste in placing the bank in operation is realized by officials and preliminary work is proceeding rapidly.

The bank is drafting details of a model crop-share agreement. This phase of the bank's survey is important, because the act provides that mortgages on grain-growing farm properties may be adjusted on a share-crop basis. This provision has been inserted because of the wide variations in income of grain growing properties.

Definitions

Framing of definitions affecting the operation of the bank are well advanced and will present no difficulty. Definitions will be implemented by orders-in-council when ready.

The most important factor in the picture is the willingness or otherwise of organizations eligible for membership to join the bank. Their stand on joining awaits clarification of essential features of the scheme.

It is estimated that institutions eligible for membership have $375 millions interest in mortgages across Canada.

NEWS! **BURBERRY TOPCOATS; BURBERRY OVERCOATS now Ready IN EATON'S MEN'S DEPTS.! MANY NEW PATTERN EFFECTS! DON'T DELAY!**

Burberry has become so synonymous with Old England and English fashions for men that this famous line is recognized the world over . . . and worn by well-dressed men in over 32 different countries. Our new shipments for Fall and Winter have arrived and are already being bought up so that we urge you to visit us soon and make your selection from this line-up while the range is at its peak.

Overcoats $55.00 to $75.00
Topcoats $45.00 to $60.00
Second Floor—James Street.
T. EATON Co. Limited

Base Metal Producers Unaffected by Embargo

Canadian base metal producers will not be affected by the embargo on sales of "war" commodities to Germany which was imposed by Great Britain this week, The Financial Post is told by keymen in the industry.

Total Canadian exports direct to Germany in the fiscal year for 1938 were only $12.3 millions, compared with total exports that year of over $1,000 millions. Hence no Canadian industry would be likely to be seriously affected by an embargo.

Most Canadian base metal output is sold in Great Britain. Where the commodities go after that is out of Canadian hands, it is pointed out.

"While heavy German purchases of copper and lead last week were credited with giving the price another boost, world demand is excellent and supplies are low. So that shutting off the German business would hardly have any effact on prices or on the ability of the market to consume current production," one authority said.

Heavy German Buying

Germany's base metal purchases in the British market have been heavy for several years past. It is significant, perhaps, that Nazi buying for the first half of this year has been considerably lower than in the corresponding period of last year—120,000 tons of copper this year, compared with 173,000 tons for the first half of last year.

Total of all Canadian exports direct to Germany, as reported by the Dominion Bureau of Statistics were $4,737,000 for the first six months of this year, a 20% decline from the same period of 1938. This, of course, does not include commodities which do not go direct.

Main exports direct to Germany in 1938 were copper, $3 millions; zinc, $685,000; nickel, $640,000; wheat $2.4 millions; asbestos, $1.8 million; manufactured wood products, $609,000; apples, fresh and dried, $785,000; fish and fishery products, $691,000, and raw wool, $243,000. This is a total of $12.3 millions, which compares with imports of $11.4 millions.

Canadian exports to Italy in the 1938 fiscal year totalled $2.3 millions, compared with $3.4 millions imports, in which lemons, nuts and olive oil were chief commodities.

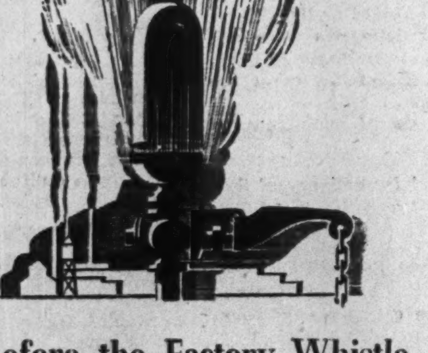
Our total exports to Russia in the same period were $517,000, compared with imports of $613,000.

Total Canadian exports to Japan in 1938 were $26.6 millions, of which $15.6 millions was nickel, aluminum, lead, copper and zinc. Remainder consisted of $11.2 millions pulp and paper products, $1.3 million wheat and flour. Canadian exports from Japan totalled $3.3 millions with main items, silk, tea, cotton products and toys.

Pulp and Paper Freight Loadings Advance 9%

From Our Own Correspondent

MONTREAL.—Pulp and paper loaded on the Canadian railways up to August 12 this year shows an increase of about 9% over the like period of 1938. In all there were 59,325 cars loaded, as against 54,899 cars for the corresponding period last year.



Before the Factory Whistle Sounds men and machines must be mobilized and money found to purchase raw materials, produce the finished goods, ship them to market.

The recurring temporary needs of industry for ready cash is met by bank credit. Money to help carry industry forward smoothly, without hindrance is available through The Royal Bank. We welcome the inquiries of industry for such accommodation.

The Royal Bank of Canada

The Nation's Business

(Continued from page 1)

are still our worst social and economic sore spots.

Talking to newspapermen at Hyde Park the other day, President Roosevelt even suggested that the total number of persons who are being given work or support of some kind in the U.S. is around the 20,000,000 mark.

In Canada Mr. King is more reticent. But facts such as these are hard to dodge.

The average number of persons receiving direct relief in Canada in the first six months of 1939 was 968,000.

The latest monthly figure (June) is 848,000.

Urban relief has been higher every month this year compared with 1938.

This year unemployment among Canadian wage earners has totalled 450,000 monthly. This means one worker out of every six.

Since March the employment situation has been improving, but there has been no corresponding cutting of relief rolls.

For example, employment indices in June were 3% better than in June, 1938. Yet the number of fully employable people on relief—instead of getting less—rose nearly 9%.

The number of jobless wage earners is about the same today as it was in 1930. Meanwhile three quarters of a million people have become dependent on relief.

* * *

THESE and similar facts are the sort that Prime Minister King chose to ignore when he made his anniversary speech at Toronto recently. They are the sort of facts which do not wait on international crises, or elections, or even on the report of a Dominion-provincial relations commission.

They are facts which raise questions similar to those uppermost in Mr. King's mind when he was elected four years ago: the sort of facts which led him to appoint a National Employment Commission in 1936. They are facts which political leadership seems to have forgotten in recent months in the hope that upswing in business will cause them to disappear.

* * *

What About the Transients?

THAT "a vigorous and constructive lead" on unemployment is badly needed at Ottawa is the view expressed recently by the Regina Leader-Post. Commenting editorially on the Mackenzie King dinner at Toronto, the Leader-Post asks Mr. King very bluntly what he intends to do about the transient problem which is already urgent in western cities.

Says the Leader-Post:

"We think at the moment upon transients who have been invading western Canadian cities in increasing numbers—homeless, virtually destitute men, mostly young men, who have a 'from pillar to post' existence. Tuesday night of this week one saw them clinging to freight trains like flies. Wednesday morning news dispatches told of two of these men, one in Ontario, the other in Manitoba, found dead beside railway tracks, evidently ground to death in seeking to 'swing' a ride.

"Can nothing be done for these men?

"Can the Federal Government do nothing to give a lead in this problem?"

* * *

THE transient problem is one glaring phase of unemployment for which political leadership has failed to find a solution in eight or nine years.

No one who has probed it will minimize its difficulties. But few will deny that if a concerted, co-operative effort were made to co-ordinate all its complex elements under a nation-wide plan, a solution would be forthcoming.

To wait until winter has arrived is too late. Some immediate steps toward a solution of the transient problem should be taken without delay.

Such steps would be taken by any government seriously and earnestly resolved to give strong leadership to relief and unemployment problems in Canada.

* * *

Good Management and Advertising

LAST week tribute was paid in this column to "good management" as a determining factor in the record of 88 Canadian companies which had consistently maintained dividend records during the past 10 years.

The trade magazine "Marketing" has also analyzed this list. It finds that nearly half the companies with a good dividend record were also "good advertisers." Some of them rank with the largest and most aggressive of Canadian national advertisers. Others have retained consumer and trade advertising through good years and bad.

"The Post rightly credits the dividend-paying records of these companies to 'good management.' It is significant that so many of them have been consistent and able advertisers to the consumer, justifying the assumption that good management and good advertising often go hand in hand.

"It is obvious that use of printed and spoken word as a dividend producer is a vitally important constituent of 'good management.'"

Occasionally "good management," in a mistaken effort toward economy, tries to cut expenses by eliminating advertising from its expense appropriations. Invariably sales and profits and dividends suffer as a result.

Ontario Gold Output Higher

But Average Grade for July Somewhat Lower

Ontario gold production in July was higher than June and five new mines made their first contribution to total output, the Ontario Department of Mines reports.

July saw the greatest tonnage handled of any month in Ontario mining history, but grade was lower, $9.79 compared with $10.22 for the preceding month.

July output was $8,910,502 compared with $8,856,044 in June and $8,894,877 in July, 1938. Totals for July and June of this year reflect average daily recovery of $287,435 and $295,201 respectively.

New Mines

New mines contributing to July production were Chesterville, Magnet Consolidated, Elora, Kenopo and Ranson. Two other mines, Ronda and Raven River, milled part of the month but closed down before the end. Total of 63 mines reported production compared with 58 in June.

Following is detail of Ontario gold production so far this year.

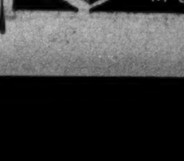
Monthly Output of Ontario Gold Mines

	1939 Tons milled	1939 Value $
Porcupine Belt:		
First quarter	1,227,982	11,046,555
April	417,387	3,697,016
May	426,854	3,871,651
June	424,296	4,008,665
July	428,880	3,827,288
Total	2,925,399	26,451,175
Kirkland Lake-Larder Lake Belt:		
First quarter	683,791	9,012,220
April	228,699	3,097,221
May	239,687	3,293,606
June	233,695	3,103,409
July	253,270	3,173,464
Total	1,639,142	21,679,920
Matachewan-Sudbury-Timagami:		
First quarter	161,866	821,949
April	55,236	270,255
May	52,873	254,284
June	53,007	219,392
July	52,646	258,086
Total	375,628	1,823,966
Northwestern Ontario (Includes Algoma, Thunder Bay, Patricia, Kenora and Rainy River districts):		
First quarter	459,254	4,551,471
April	155,832	1,569,065
May	161,276	1,566,993
June	155,260	1,524,578
July	174,573	1,651,664
Total	1,106,195	10,863,771
Total for Ontario:		
First quarter	2,532,893	25,432,195
April	857,154	8,633,557
May	880,690	8,986,534
June	866,258	8,856,044
July	909,369	8,910,502
Grand total	6,046,364	60,818,832

for BUSINESS and PLEASURE

Here the world's cultures—that of old England, ancient France and modern America—meet and blend, radiating around the commercial and social centre of the great French-Canadian metropolis, Montreal. Visit the gay and glamorous Normandie Roof, "America's most beautiful room," atop the Mount Royal Hotel.

J. ALDERIC RAYMOND, *President.*
VERNON G. CARDY, *Vice-President and Managing Director.*



MOUNT ROYAL HOTEL MONTREAL

Canada's Defense Crisis

(Continued from page 1)

dividing line between the previous administration and his own fairly enough at April 1, 1936.

At that date the Air Force consisted of 164 aircraft of which 23 were service planes and 141 were training and civil types. Mr. Mackenzie states that all of the service planes were obsolete and of little or no military value, and that many of the trainers were also obsolete.

During the intervening three years 64 of the 1936 machines have been written off as worthless. This means that 100 of the planes described as being of dubious value on April 1, 1936, were still in service on April 1, 1939.

During the three complete fiscal years which have intervened since 1936 Mr. Mackenzie has been voted $26,282,444 for the Air Force. This is exclusive of amounts voted for civil aviation.

With what result?

On April 1, 1939, the actual strength of the Air Force was 210 planes described by the Minister (Unrevised Hansard, 1939, page 3,481) as including:

Modern service type	36
Obsolete service type	16
Training and civil type	158
TOTAL	210

It will be noted that the Minister said he had on April 1, 1939, 36 "modern service type" planes. His own detailed breakdown as recorded in Hansard shows that included in this total were 22 Wapitis.

It can be said on the authority of competent aircraft experts that the Wapiti cannot accurately be described as a "modern service type" plane. The Wapiti has been out of production in Great Britain for years. Its speed is less than 150 miles an hour. It is still useful as a trainer but as a fighting plane in modern war against planes of speeds up to and exceeding 250 miles an hour, it would be nothing more or less than a deathtrap for the men who manned it.

It is evident, therefore, that at April 1, 1939, after three full years in office, during which he was voted $26,282,444 for the Air Force, Mr. Mackenzie had succeeded in building up a first line air fleet of only 14 modern service type planes, as against his own stated "minimum" requirements for this category of 312 planes.

During the same three years the Minister has increased the personnel of the Air Force to 3,148 officers and men—which is still less than half of his own stated "minimum" of 7,259 officers and men.

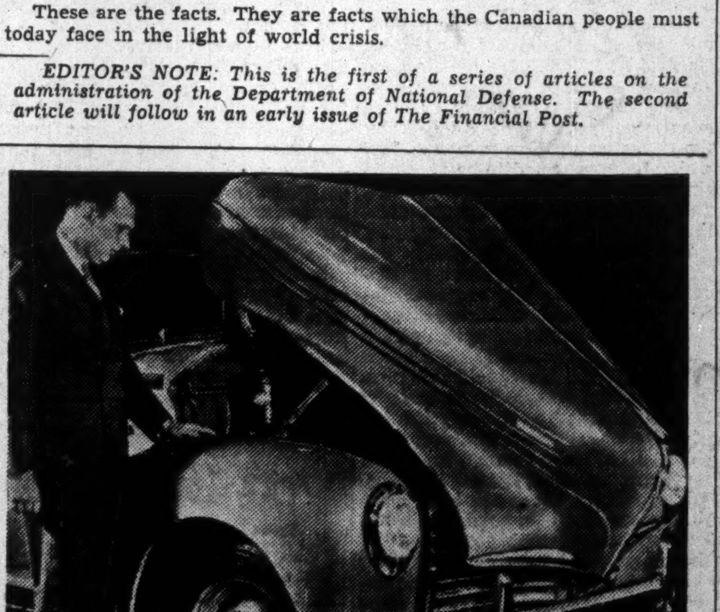
The significance of the situation thus revealed was emphasized by the experience of the Air Force during the Munich crisis of last September. It is known in the Maritimes that during the height of the crisis, all available planes were mustered for defense of the East Coast. The Post is reliably informed that the best the Minister could do was to mobilize 39 machines of which only six were modern first line service type planes.

But Munich is a year behind us—and the Minister is making progress.

On April 1, 1939, after three full years of spending, after three years during which his objective on his own statement was 312 first line aircraft, the Minister could have mustered fourteen modern first line service type planes to meet an emergency.

These are the facts. They are facts which the Canadian people must today face in the light of world crisis.

EDITOR'S NOTE: This is the first of a series of articles on the administration of the Department of National Defense. The second article will follow in an early issue of The Financial Post.



THE NEW CARS

Wide horizontal chrome grilles, reflecting the latest trend, feature the new front-end designs on all three Hudsons for 1940. The new design enhances the long smooth flow of body line and gives to the whole outline the impression of motion and fleetness. Headlamps in all 1940 models are mounted flush in the front fenders with ornamental chrome settings. Parking lamps can be used as directional signals. Controlled by a switch on the steering wheel they flash on and off on the turning side in conjunction with tail light flasher signals. This gives warning to rear and intersectional traffic regarding change of direction. Of particular interest is a new entry in the lowest price field, the new Hudson Six Deluxe and also a new straight eight. Above is shown one of the new models with the hood raised.

Investors' Index

Asbestos 9
Assoc. Brew. . 4
Assoc. Tel. . . . 10
Abitibi 5
Aluminum . . . 4
Aluminium Ltd. 4
B. C. Power. . 3, 4
B. C. Packers . . 4
Biltmore 4
Brown Bros. . . 4
Can. Northern . 9
Can. N. Pwr. . . 4
Can. Vickers . 1, 10
Can. Vinegars . . 2
Candn. Celanese 11
Candn. Canners 13
Conduits 4
Comm. Alc. . . 4
Dom. Glass . . . 10
David & Frere . 3
Dom. Stores . . 4
East. Can. Sav. . 10
Electrolux . . . 10
Ford 4, 5
Fleet 4
Gatineau 10
Honey Dew . . . 4
Inter Utilities . 9
Inter. P. & P. . . 5
Ins. Exch. . . . 4
Inter. Pete. . . . 4
Lake St. John . 10
Langley's 3
Mtl. Cottons . . 4
Nat. Steel Car . 4
Newfld. Pwr. . . 10
Prov. Paper . . 2
Quebec Pwr. . . 4
Ry. Exch. 4
Stuart, D. A. . . 9
So. Can. Pwr. . 4
Simpsons 4
Stedman 4
2nd Inter. Roy. 4
Tip Top 1
Vancouver Drug 4
Victoria Fruit . 13
Wood, Alex. . . 4

MINES AND OILS

Agawa-Porc. . . 13
Aunor 12
Bass Lake . . . 12
Bidgood 12
Bailor 12
Box Mine 12
B. R. X. Cons. . 12
Chibougamau . . 12
Century 12
Cochenour . . . 12
Dawson-White . 12
Gold Eagle . . . 12
Giant Yellow. . 12
Gillies Lake . . 12
Granville 12
Hedley Mascot . 12
Hard Rock . . . 12
Howe Sound . . 12
MacLeod-Cock. . 12
McVittie-Gra. . 12
Negus 12
North Whitney. 12
Privateer 12
Pioneer 12
Pontiac Rouyn . 12
Planet 12
Red Crest . . . 12
Sladen Malartic 12
St. Anthony . . 12
Salmon 12
Sturgeon River . 12
Senator Rouyn . 12
Surf Inlet 12
Siscoe 12
Sherritt Gord. . 13
Teck-Explor. . . 12
Wanakirk-R. . . 12
West Shore . . . 12
Wright-Har. . . 13

REGULAR FEATURES

Banking 11
  Foreign Exchange 9
Bond Markets 5
  Bond Quotations 8
Business, Week in 7
Commodities 9
Editorial 6
Insurance 11
Investment Trends 4
  Company Reports 9
  Investors' Enquiries 10
  Market Opinions 4
  Stock Quotations 8
Mining, Week in 12
  Mining Enquiries 12
  Stock Quotations 8
Municipal Finances 11
Oils, Week in 12
  Stock Quotations 8
Pulp and Paper 5
Wheat, Week in 9
  Grain Quotations 9

Agents Study Can. Vickers

(Continued from page 1)

ment on Aug. 1 of interest on the company's first mortgage bonds or those of Montreal Dry Docks.

Problems to Face

Several problems have to be overcome before reorganization of Canadian Vickers can be carried out. One problem of very great importance is that Vickers first mortgage bonds are secured not only by tangible assets but by hypothecation with the trustee of the Dominion subsidy under the Dry Docks Act. The company cannot use this subsidy for any other purpose than paying bond interest in the event operating revenues are insufficient to meet the charge. This subsidy is equal to 4% interest on the bonds.

Of vital concern to the bondholders is that the subsidy is payable only if the dry dock is kept in operation under the terms of the agreement entered into between the company and the Government. Therefore as long as the company keeps in operation, the Dominion Government is obligated to pay $105,000 annually until 1958 and this money in turn can be used by the trustee, if necessary, to pay interest.

Holders of Montreal Dry Docks bonds are not so well off. While these bonds are guaranteed as to principal, interest and sinking fund by Canadian Vickers, they rank after Vickers own bonds; in effect they occupy a junior position.

Another current problem is the existence at the end of last February of a bank loan of $287,000. Presumably the company has not been in a position to liquidate this obligation so that it will have to be considered in any plan of reorganization.

Many Ways Available

Canadian Vickers can raise additional working capital by several different methods. Bondholders might defer their claim to the subsidy for a short period in return for part of the equity; a prior lien might be issued, but only with the consent of the bondholders; additional Vickers bonds might be issued if the terms of the trust deed are altered, etc.

Just at this stage it is impossible to say which plan is favored, or even if any of those outlined have been considered seriously.

As far as operations of the company are concerned, the president has reported a healthy increase in business this year. The aircraft division, in particular, has been especially busy. The marine department is reported to have had an increase of 100% in business at the end of last month, while other departments are reported to be doing reasonably well this year. Given a sounder financial set-up, however, the company would be able to profit on the business offering to a greater extent than heretofore.

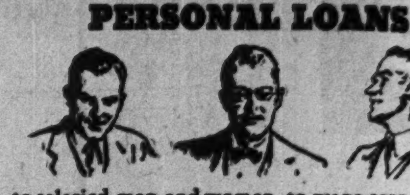
Canada Vinegars Income Holding

Canada Vinegars Ltd. is approaching its peak season with sales running about level with those of last year, The Financial Post is informed.

The company's chief outlet for vinegar is industrial pickling and the pickling season is now commencing. The size of the pickle pack has not yet been determined, so that it is yet too early to predict how the company will fare.

Increase in excise duty imposed on pickling and household vinegar in the latest Dominion budget will have the effect of increasing costs, it is stated. The company has taken steps to offset the increase in costs, but company officials state that it is too early yet to say what the long-term effect of the excise tax increase will be.

This Bank is regularly making PERSONAL LOANS



. . . to salaried men and women, to wage-earners, to business and professional people and executives. The terms are simple, the interest rate moderate, and there is no service charge. The manager at any office of the Bank of Montreal will be glad to have you call and discuss your financial requirements with him.

BANK OF MONTREAL
ESTABLISHED 1817
"A BANK WHERE SMALL ACCOUNTS ARE WELCOME"

Industry Is Mirrored By National Exhibition

Over 1.6 million people, it is estimated, will pass through the turnstiles of the Canadian National Exhibition at Toronto during the two weeks of its 1939 season. The big show opens this week for its 61st consecutive year. In addition to the attendance figures, the following facts show that the Exhibition is big business:

Total investment in land and buildings, $21 millions.

Average annual revenue, $824,000.

Average operating expenses, $600,000.

Employees at peak, 3,000.

Average annual attendance 1.6 to 1.7 million—record, 2 million, in 1928.

Average daily attendance, 110,000. Record, 260,000.

Visitors from out of town, 250,000 to 300,000, exclusive of day trippers.

Wide Influence

These figures, while indicating the size of the enterprise, in a business way, also show the scope of its operations. Originally established as an agricultural society with the professed object of improving and encouraging agriculture, it has developed, until now it is a show place where machinery manufacturers, artists, musicians, schools and, in fact, all classes of activity are represented.

As one official described it to The Financial Post: "The Exhibition is an exchange place for ideas where the best products from all parts of the country and from other countries are brought together. Thus, all classes of people can put the result of their work on display for others to see and where they in turn can view the work of others."

Foreign Exhibits

In recent years considerable attention has been paid to attracting exhibits from other countries. This year new entries include Switzerland, Latvia and Esthonia. In addition, larger exhibits are being made by the Netherlands, France and Finland. Germany, too, is represented. Italy, however, has dropped out, likewise Poland, although both made an application for space earlier in the summer.

Most of the exhibits in the international section feature tourist attractions. Native industries, however, have co-operated with their own governments in making up the displays.

For instance, Dutch industrialists have co-operated with their government to send electrical goods, leather, glassware, wool and, appropriate to the times, gas masks.

France, as might be expected, is featuring perfumes, as well as textiles of various kinds, and publications. Finland specializes in equipment, ceramics, and certain kinds of foodstuffs, notably cheese. Switzerland is putting an emphasis on clocks and watches and tourist attractions. Calculating machines are also part of its display.

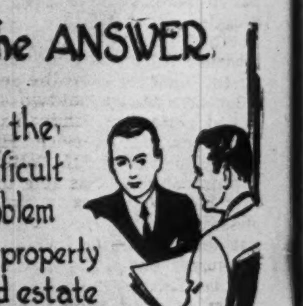
Puts Money in Circulation

While the Canadian National for many people means a place of entertainment and education, to business in the Ontario capital it means a time of increased activity, more retail sales, more business for restaurants and theatres.

It is estimated that between 250,000 and 300,000 people annually invade Toronto for the big fair. The majority of these come by motor car especially those from across the border. One result of this is that the amount of food consumed in the restaurants of the city increases approximately 40%.

From the attendance figures alone, it is evident that the Exhibition has come a long way from the days when its ancestor, the Niagara Agricultural Society, was organized and started on its way with a gift of $40 from Governor Simcoe to be distributed in prizes.

The ANSWER to the difficult problem of property and estate management



Efficient management of Property and Estates demands a wide experience, a fully-informed understanding, which this Trust institution is fully qualified to provide. Have us explain the benefits of Trust management, as compared with hazards of "personal" or "individual" direction. Feel wholly free to ask!

CHARTERED TRUST AND EXECUTOR COMPANY
34 KING ST. WEST - - - - - TORONTO
132 ST. JAMES ST. WEST - MONTREAL

Prov. Paper Co. Earnings Gain

Prospects for Remainder of Year Are Good

Tonnage sales and earnings of Provincial Paper Ltd. in the year to date are running moderately ahead of the same period last year, The Financial Post is officially informed.

Demand has been well maintained and outlook for the remainder of the year, barring war, is hopeful. In the latter case shipments would be hit immediately, but based on precedent of the last war, would improve as the conflict progressed.

In judging earnings prospects for the entire year, it is remembered that the company's business in the last half of 1938, was much better than the first, and that gains this year will in all probability have a tendency to level off as the year progresses.

Net profit in 1938 totalled $242,202, equivalent to $6.92 on the 7% preferred shares of $100 par value, compared with $340,942 in 1937, and $9.74, respectively.

The company failed only by a small amount to earn its preferred dividend in 1938, and a small increase in profits would see the preferred dividend earned in the current year.

Schools and Colleges

CANTAB Coaching College
PRINCIPAL
L. S. N. HOARE,
M.A., A.A.L.P.A.
Cambridge University
Matriculation Specialists
All-Day Classes with Individual Instruction. Laboratory Study room, etc.
KI 8318 287 Russell Hill Rd.
TORONTO

St. Andrew's College
FOUNDED 1899
An exceptional boarding school for boys
AURORA, ONT.
Healthful Altitude — 857 feet
K. G. B. KETCHUM, B.A., HEADMASTER

Meisterschaft College
Established 1889
An academic and commercial College which provides for young people a thorough training either for Business or University. . . . The only school in Canada to offer thoroughly individualized courses with enrolments limited to eight students per teacher. . . . This personal instruction saves the pupil's time, and gives free scope for individual initiative. . . . Excellent opportunities for proficient students competing for scholarships. . . . For full particulars write to the Registrar.
PRINCIPAL—R. G. McCONOCHIE, M.A., D.Pd.
2 ST. CLAIR AVE. EAST - - TORONTO, ONTARIO

THE KING

London Calling—By Atticus II

A Sailor King With Jutland Experience Reviews His Fleet — Lessons Gained From British Blackout

Atticus being out of Great Britain on a holiday during the parliamentary recess which terminated abruptly this week, Atticus II has taken over his column for a few weeks.

LONDON.—Once again I take over from my friend and colleague Atticus at a time when it is popularly supposed that nothing much is likely to happen. But this year the world seems to be full of events even though the Silly Season has set in. And, though the political situation is perhaps less acutely uncomfortable than it was at this time last year, most of us find ample cause for depression in the most dismal summer we can remember. It is remarkable how many people can have their livelihoods affected by bad weather. One whom I met the other day was the master of a riding-school. "How many people," he asked with a long face, "will book hacks for the Row in these days? And that means I have to pay for having my horses exercised instead of being paid for it."

* * *

Similar Kings

When the King went on board to see, as Kipling said of his grandfather, "his war-castles foam in their places," he must have felt the pang which visited the heart of King George V on similar occasions. In some respects there is a striking resemblance between the lives of George V and George VI. Both were second sons, neither with any prospect of being called to the Throne, and both, adopting the sea as a career, were seriously and thoroughly trained as naval officers and showed considerable promise of success in their profession.

There, however, the resemblance ends. George V was obliged to leave the Service when the untimely death of his elder brother, the Duke of Clarence, made him next to his father in the line of succession. It was ill-health which, after he had struggled with it long and gallantly—he had appendicitis and, later, a duodenal ulcer — compelled our present King to leave the sea.

But between these two illnesses he had better luck than his father. He did see active service. He was a midshipman in H.M.S. Collingwood, to which ship he was able to return after his first illness in time to be present at the Battle of Jutland. He was then a sub-lieutenant in the fore-turret and it is a fair guess that he does not review his "war-castles" without remembering how his own guns helped to sink a German light cruiser and to send the Derfflinger limping back to port a good deal the worse for wear.

* * *

Father and Son

Dr. Chavasse, the new Bishop of Rochester, follows his famous father in elevation to the episcopate. But he once followed him even more closely. In 1878 Francis James Chavasse became Rector of St. Peter-le-Bailey, Oxford, to which parish Christopher Maude Chavasse was called no fewer than fifty-one years later.

The new Bishop enjoys many of his father's gifts, including that of the ability to make the most unlikely people work together for a common cause in a harmony which sometimes surprises themselves. But he is hardly likely to have an opportunity for using this gift in the way in which his father was able to use it.

The elder Chavasse was the man who, above all others, must be given credit for Liverpool Cathedral. Sir Giles Gilbert Scott is the architect of that beautiful building and the money for it was found by many people. But it was Chavasse whose mingled powers of inspiration and diplomacy turned the cathedral from aspiration into fact. An opportunity of this sort, as I have said, is not very likely to recur. If it does, the son will know how to use it as well as the father did.

* * *

The Black-out

One remark arising out of the Great Black-out seems to me to be worth preserving. Between half-past twelve and one I strolled with a companion round the neighboring streets and squares to observe the effect. It was mostly impressive, but one window threw a brilliant shaft of light right across an otherwise completely darkened square.

How far, my friend observed,
That little candle throws his beams!
So shines a bad deed in a virtuous world.

Incidentally, it appeared to me that few householders had understood the full purpose of the test. I should have thought that it was the obvious duty of every householder, when he knew of the black-out order, to turn on all lights, darken his windows as best he could, and then go out to see whether these measures had proved efficacious. But I saw no one save myself doing this. So far as I could judge, most had shirked the difficulty by going to bed early and turning out lights before the appointed hour—a procedure from which no experience is gained. As a matter of fact, I discovered that three of my windows were imperfectly darkened—a deficiency to be remedied.

* * *

Wagner's Granddaughter

We are all snobs about something, and I confess that when I had the pleasure of a visit from Miss Friedelind Wagner I felt pleased and impressed. Since, like the Chinese, we are a race of ancestor worshippers, how could one be indifferent to the linage of the attractive twenty-one-year-old German girl who had Richard Wagner as her grandfather and Liszt as her great-grandfather? Miss Wagner, who has been visiting in London for some months, has the brow and nose of Wagner as well as his tiny hands. "My ears, too, are different from each other—like his," she confessed.

She is a very vital young person and possessed of the almost forgotten quality of merriment. Life is great fun to her—as it is to most people who think for themselves. Her stories of Herr Hitler are an agreeable change after the usual descriptions of the smoldering mystic of Berchtesgaden. When her family lived in Munich and Herr Hitler was merely a man with a dream he used to drop in at odd hours almost like one of the family. Friedelind and her younger sister liked him, and their English mother was much impressed with his simplicity and his eagerness. One gathers the impression that Herr Hitler interested Friedelind more as the peddler of dreams than he does as The All-Highest of the Third Reich. But then she would not be a Wagner if she did not warm to the zeal of the rebel rather than the austerity of the ruler.

Miss Wagner is leaving for Tribschen, where Wagner wrote Siegfried's Idyll, to commemorate the birth of her father. The house, which is just outside Lucerne, is kept as a museum, with the upper part reserved for any members of the Wagner family who go there.

* * *

World's Clearing House

Who would not live in London? Joseph Chamberlain, with that exactness of mind which characterizes the utterances of the Chamberlain family, declared London to be the clearing-house of the world. Disraeli, equally characteristically, wrote: "London—a nation not a city." Emerson called it the Rome of today. Samuel Johnson contended that to be tired of London was to be tired of life. And though Carlyle denounced it as "that monstrous tuberosity of human life," Thomas Moore sang its praises with:

Go where we may, rest where we will,
Eternal London haunts us still.

As a modest chronicler of the scene, I confess that even when life becomes too crowded, as it always does at this time of the year, there is an endless fascination in London's human pageantry. From the sands of the desert, from Broadway and Berlin, from Borneo and Bulgaria, they come to tell their story and pass on. One has only to sit in the market-place and listen to the tales to feel that life is full and varied.

And if the fascination of seeing strange faces should pall, there is always the theatre at Westminster, where the play alternates from "As You Like It" to "Love's Labor Lost," according to which side of the House you give your allegiance.

* * *

Diplomatic Changes

Recently I commented in these notes on the constant changes in the personnel of the Corps Diplomatique in London. Count Grandi, Sir George Franchenstein, M. Jan Masaryk were each caught in the restless torrent of events. Now comes the unexpected news that the doyen of the Corps, Dr. Regis de Oliveira, the Brazilian Ambassador, is about to give up his post. It is true that he is 65 years of age, but he looks ten years less than that, but the regulations in his country are arbitrary and his retirement is automatic. It has nothing to do with politics.

DR. C. M. CHAVASSE

Dr. Oliveira came here 14 years ago with obvious qualities for success. He is calm yet intellectually alert, well groomed and tolerant. In addition he possesses a really lovely wife whose beauty shows no lessening from contact with our incredible climate. Between them they have achieved a popularity that is entirely a tribute to their personal qualities. Not very long ago I was on a yachting party which included the Ambassador and his wife and was vastly entertained by his dissertations on Louis XIII, XIV, XV and XVI of France whose careers seem to have been a life study with him. He spoke of them in the friendliest manner: "Now Seize was this and Quatorze was that and Quinze was something else." His wife listened with that satisfaction that comes from being pretty and of being fond of one's husband. A pity if their retirement means they are going to leave us altogether.

The new doyen will be the Belgian Ambassador. After him, unless my memory is wrong, M. Maisky will have the honor. There may be a moral to all this but if there is it eludes me at the moment.

Copyright, 1939, The Financial Post and The Sunday Times, London.

Canadian Dollar Reflects Strong Trade Situation

Marked stability which the Canadian dollar has been showing recently, at par with United States currency, points to a strong position of the country in international trade.

This is especially encouraging in view of the oft-repeated statement of Governor Towers of the Bank of Canada that the Canadian dollar is left free to find its own level on the foreign exchange markets of the world.

Actual factors contributing to this condition are cited by foreign exchange dealers as follows:

A favorable balance of trade.

An active tourist season.

A good volume of domestic business.

The fact that par is a point where speculative operations—either buying or selling—meet heavy resistance.

Another factor helping to maintain our exchange is the big crop now being harvested, which points to a substantial volume of grain being exported in coming months. Even though this may be sold at an unsatisfactory price, it will mean much new money coming in to the country.

Sterling Holds Steady

Sterling has been held steady at around $4.68 in both Canadian and U. S. currency. Unlike the Canadian dollar the pound is not free to move, at least not free to move downward. It is pegged by the British stabilization fund.

Factors tending to weaken the position of sterling include heavy armament expenditures and a deteriorating trade balance. No open break is expected as the three powers in the tripartite agreement are working together harmoniously. It is felt possible, however, that in view of the continuation of the adverse factors, sterling may be allowed to find a lower level.

If this is so, exchange authorities state that the retreat would be an orderly one to a level previously determined by the three powers involved—Great Britain, France and the United States.

Manitoba Municipalities Assessments Decrease

Assessment values of Manitoba municipalities, with the exception of cities, have been dropping steadily since 1930, according to a comparative statement of the department municipal commissioner. In 1938 total assessments were $241.3 millions compared with $289 millions in 1930.

Total taxes imposed on these municipalities declined from 1930 to 1934, but started upwrad in 1935; the latter trend has continued to 1938. In 1930, total municipal taxes imposed were $9.8 millions; in 1934, $7.2 millions and $7.7 millions in 1938.

Collections record during the nine years have been mixed as the following figures show:

Manitoba Taxes Collected
(Not including cities)

Year	Total ($ 000 omitted)	% to current levy
1930	7,948	80.88
1931	6,999	80.91
1932	6,312	78.52
1933	6,888	94.09
1934	7,413	103.31
1935	6,176	85.97
1936	7,747	103.34
1937	8,439	111.60
1938	7,928	102.91

Tax arrears were reduced to $15.4 millions in 1938 from $17.6 millions in 1936. From 1930 to 1933 increases were shown.

Municipalities operating on a cash basis decreased to 107 in 1938 from 126 in the previous year, but increased from the 44 operating on this basis in 1935. In an eight-year period, the low was reached in 1931 when only 41 municipalities were operating thus.

Unmatured debentures and deferred liabilities decreased to $16.4 millions in 1938, from $17 millions in 1933.

Farm Loans in Quebec Near $33 Millions Level

From Our Own Correspondent

MONTREAL. — Quebec's Farm Credit Bureau has made total loans to date of $32,915,889. In all 14,220 applications have been granted. The Bureau further reports that up to June 30 only seven borrowers have been more than 30 days behind in the payment of their semi-annual dues.

The detailed returns covering the Bureau's operations from the time the Act went into effect to June 30, 1939, show 11,291 loans, involving $26,591,614, have been made. Of this total over $20 millions was used to pay off mortgages; $5.9 millions for ordinary liabilities; and the balance, less than $600,000 to pay taxes.

Newfoundland Is Spending $1.1 Million on Highways

From Our Own Correspondent

Newfoundland will spend $1,116,500 on its highways between July, 1939 and June, 1940, according to a statement released by Sir Wilfrid Wood, Commissioner of Public Utilities.

The maintenance of existing highways and bridges will involve an outlay of $370,500; paving and preparation for paving, $145,000; other improvements to roads and provision of new concrete bridges $130,000; improvements to roads carried out mainly with the object of providing employment, $266,300; reconstruction of Deer Lake-Lomond Road, $204,000.

The Commission of Government plans to spend $250,000 on the construction of agricultural roads and $100,000 on the building of the Swift Current to Terrenceville road. The balance will be used for surveys and completion of various road projects on the Island.

David et Frere Declares Bonus on Common Shares

From Our Own Correspondent

MONTREAL.—Directors of Davidi et Frere have declared the regular dividend of 15 cents a share and a bonus of 10 cents a share, payable Sept. 30 to shareholders of record Sept. 15.

New Books . . . . .

World Statistics

STATISTICAL YEAR BOOK of The League of Nations 1938-39. Distributed in Canada by the League of Nations Society in Canada, Ottawa. Price: paper, $2.50; cloth $3.50.

This comprehensive compilation of statistics on a wide range of subjects is destined to be of considerable value to all interested in world affairs. Figures are given on such matters as production, consumption, trade, exchange rates, public finance, population and other matters. The material is kept up to date, to an extent that is rather surprising in a work covering such a large field. The chapter on production and consumption, for instance, covers agriculture, mining and industry in each country, with statistics carried down to the early months of 1939. Information is also given about the increasing use of substitutes and by-products by means of which an attempt is being made in certain countries to become independent of imports from abroad, a movement which has been of great importance to exporting countries such as Canada. The trend of Government expenditures and debts is shown, also trends in foreign exchange. The book contains 330 pages including index. Explanatory material is in French and English.

Vacations in Industry

VACATIONS WITH PAY IN CANADIAN INDUSTRY. By J C Cameron, Idele Wilson and Jane McKee. Published by Industrial Relations Section, School of Commerce & Administration, Queen's University, Kingston, Ont. Price, $1.

This well printed brochure, the third in the series of industrial relations studies undertaken by the two-year-old special section at Queen's University, is the most exhaustive study of industrial paid vacations attempted in recent years in Canada.

Statistically, it is not as broad in scope as the report of the National Employment Commission on industrial holidays with pay. The Queen's University analysis is based on reports obtained from 303 companies with a total of just under 400,000 employees, of whom over half got vacations with pay last year. The N. E. C. report covered 6,743 establishments with a total of approximately 960,000 employees, an unstated proportion of whom got vacations. (In both studies, all the firms covered had holiday plans, but some applied to salaried employees only and some extended to only part of the wage earning roster.)

On the other hand, the University report is broken down in much greater detail as to types of company covered, the nature of plans in effect, and the various considerations affecting inauguration of such schemes. The N.E.C. report on the subject was almost purely statistical. The University study includes a great deal of valuable tables and statistics, but consists chiefly of analytical, explanatory and commentary reading matter. It embraces also a comparison of the progress and development of holiday plans in Canada with achievements in this regard in other countries.

In addition to the interesting light it throws on an important phase of industry's relations with its workers, the volume will be welcomed as a much needed reference work on the subject.

Sales of Sulphite Pulp To U. S. Are Increased

From Our Own Correspondent

MONTREAL. — Canada's sulphite pulp trade with United States shows a relatively sharp increase this year. During June shipments across the border totalled 25,390 tons as against 14,351 tons for the same month a year ago.

For the first half of 1939 shipments of sulphite pulp from Canada to the States totalled 146,818 tons. This contrasts with 102,962 tons for the same period last year.

B. C. Power July Income Higher on Class A Stock

From Our Own Correspondent

MONTREAL.—B. C. Power Corp. reports gross income in July, the first month of the current fiscal year, of $1,268,116. This represents an increase of $35,821 over the same month last year. While expenses were higher by $30,193, banking charges declined $3,235, leaving a balance of $159,248 for the class A stock. This compares with $150,385 in July, 1938.

Alberta Reports Surplus Decrease

Statement Shows $5.1 Millions Debt Reduction

From Our Own Correspondent

EDMONTON. — Alberta government's financial report for the three months ended June 30 just issued shows an over-all cash surplus of $316,607, as compared with a surplus of $751,437 reported at June 30, 1938. The statement shows a $5,110,083 reduction in the public debt of the province and $192,805 increase in cash receipts.

Financial operations for the period were on the basis of providing for payment of interest obligations at 50 per cent of original coupon rates.

The report stresses that figures are on "a strictly cash basis" and the results shown are "subject to all the limitations of a purely cash statement."

Treasury branch deposits (excluding province of Alberta accounts) were given as $735,681, or an increase of $152,029 during the three months from March 31 when the last report gave credit house holdings as $601,652. These deposits are listed as part of the unfunded public debt.

The $5 millions reduction in the public debt resulted from receipt of the final payment on the northern railway sale, which retired provincial bank loans to that amount.

Langley Shareholders Elect New Director

Preferred shareholders of Langley's Ltd. elected Stewart G. Bennett, Toronto, to the board of directors at a special general meting. Mr. Bennett is vice-president and general manager of Beardmore & Co., a director of Collis Leather Co. and Dominion Stores Ltd.

Think of the Risk You Take
If you do not make a will.
Crown Trust Company
Executors — Trustees — Financial Agents
80 King Street West Toronto

TOOLE, PEET & CO. LIMITED
FINANCIAL AGENTS
Appraisers and Valuators
Estates Managed
CALGARY CANADA

Saint John Calling!
It's the Admiral Beatty—the official AAA hotel. 250 fireproof rooms from $2. single, $3. double. Modern cafeteria. AAA garage.
The ADMIRAL BEATTY
SAINT JOHN, N.B.

Serving Industry from Raw Materials to Finished Product
● Maintained to assist you in the supply of basic raw materials, in the choice of a suitable location, in arranging for power and other facilities, this department is equipped to render fullest possible co-operation to the development and expansion of Canadian industry.
DEPARTMENT OF INDUSTRIAL DEVELOPMENT
G. G. OMMANNEY, Development Commissioner — MONTREAL — F. W. COLLINS, Industrial Commissioner
G. M. HUTT, Asst. Development Commissioner — WINNIPEG — R. J. PRITTIE, Industrial Commissioner
TORONTO — F. K. HOLLYMAN, Industrial Agent
VANCOUVER — C. W. McBAIN, Industrial Agent
Canadian Pacific
WORLD'S GREATEST TRAVEL SYSTEM

BRITISH AEROPLANE ENGINES
LIMITED
●
Exclusive Agents in Canada
for
Bristol Aeroplane Engines
ASSEMBLING OVERHAULS
GENERAL SERVICE
at
6259 Notre Dame St. East
HEAD OFFICE 248 McCord St. MONTREAL

Additional Issue

$500,000
ANGLO-CANADIAN TELEPHONE COMPANY
5½% Cumulative Preferred Stock
($50 Par Value)

Cumulative dividends payable quarterly on the first days of February, May, August and November. Redeemable on any dividend date at $56 per share on or before May 1st, 1942, and at $55 per share thereafter.
Listed on the Montreal Stock Exchange.

CAPITALIZATION
(Upon completion of this financing)

	Outstanding
5½% Cumulative Preferred Stock ($50 Par Value)	$4,130,000
Class A Stock ($10 Par Value)	4,871,000
Deferred Stock ($10 Par Value)	2,000,000

THE COMPANY: Anglo-Canadian Telephone Company is a telephone investment company incorporated in 1934 under the laws of the Province of Quebec. Its principal investment consists of $4,497,900 par value out of a total of $4,500,000 par value outstanding of Ordinary Shares of British Columbia Telephone Company. It also owns all of the common shares of four other telephone companies operating in British Columbia and of Dominion Directory Company, Limited, operated in connection with the business of British Columbia Telephone Company. Canadian (B.C.) Telephones and Supplies, Limited, a sales company, is a wholly-owned subsidiary.

Another wholly-owned subsidiary, Compania Dominicana de Telefonos, C. por A., operates a telephone system in the Dominican Republic. Through Telephone Securities, Limited, (a subsidiary), the Company owns 31.9% of the capital stock of Philippine Long Distance Telephone Company.

The Company, through its subsidiaries, controls over 131,000 telephone stations and Philippine Long Distance Telephone Company, an affiliated company, operates over 29,000 telephone stations.

EARNINGS:

	1936	1937	1938	6 Mos. Ended June 30th, 1939 (Subject to Audit)
Dividends, Interest and Other Income	$669,178	$698,202	$685,349	330,708
General and Administration Expenses, Taxes, etc.	103,299	99,342	83,435	35,580
Net Income Available for Dividends on the 5½% Preferred Shares	$565,879	$598,860	$601,914	$295,128

For the three years and six months ended June 30th, 1939, average annual net income of the Company, as shown above, amounted to $589,080, which is equal to 2.59 times the annual dividend requirement amounting to $227,150 on the $4,130,000 par value of 5½% Cumulative Preferred Shares to be outstanding.

Price: At Market and Accrued Dividend, to yield about 5½%.

W. C. Pitfield & Company
Limited
Hanson Bros., Incorporated
Midland Securities Corporation
Limited

The statements contained in this advertisement, while not guaranteed, are based upon information which we believe to be reliable.

A Royal Welcome
AWAITS YOU AT
Canada's Royal Family of Hotels
ROYAL CONNAUGHT
HAMILTON, ONT
GENERAL BROCK
NIAGARA FALLS, ONT
PRINCE EDWARD
WINDSOR, ONT
DIRECTION Vernon G. Cardy

Specialists in STEEL PLATE Construction

A circular 8-section waterworks intake. An unusual and difficult example of steel plate work.
Sound design, expert workmanship, and thorough inspection are fundamentals of T.I.W. steel plate construction.
THE TORONTO IRON WORKS LIMITED
HEAD OFFICE ROYAL BANK BLDG. TORONTO WORKS EASTERN AVE.
Operating SUPREME BOILER & ENGINEERING COMPANY, LIMITED

Investment Trends

Europe Calls the Tune For Security Markets

Present Crisis Depresses Values and Keeps Investors Out of Markets — Favorable Factors When Europe Comes to Senses

Alternately optimistic and pessimistic interpretations of developments abroad have made stock markets, hanging upon news from Europe, blow hot and cold in turn. Trading has been at a virtual standstill.

Pressure on the market since the July rally has driven prices steadily downward, with small daily declines. Cumulative result has been a protracted decline, which unexpectedly reversed in New York, with the news of a German-Russian amity pact.

On the encouraging side is the fact that there has been an absence of "dumping" on the market, which would indicate that investors are either becoming crisis-injured or see silver linings in the gloom.

The present crisis, well advertised in advance, has been brewing for months. For the best part of a year there has been an almost complete absence of speculative buying, but there has been a fair amount for investment. Stocks have been taken off the market. Debit balances have been reduced to negligible proportions or eliminated. Brokers loans now are lower than they have been for some time, including the low point of the depression years.

Because of the strong technical position of the market there has been no forced selling. What selling has taken place has been more along the lines of the seller putting himself in a stronger liquid position. There has been no need to sell because of a weakened margin position, which in the past, has brought sharp drops in securities values.

* * *

A Market to Watch

The strong technical position of the market is little consolation to investors who see a small, but steady, volume of selling force down prices from day to day. It can be argued easily that many securities are undervalued. But it would be a brave man who would venture into the market with conditions as they are in Europe. Hence we have a buyers' market, in the sense that anyone wanting to buy stocks does not have to bid up for them.

While there is little to encourage and much to discourage in the present market outlook, the investor should not lose sight of the possibility of a sharp upswing in values if the present crisis is settled on a peaceful basis. Business in Canada, the United States and elsewhere has held up remarkably well in view of conditions and the lack of confidence in the outlook.

* * *

Need New Funds

At the same time it must be recognized that many changes will have to take place before there is a recurrence of prolonged period of business prosperity. In the current Cleveland Trust Co. Bulletin, Col. Leonard P. Ayres says:

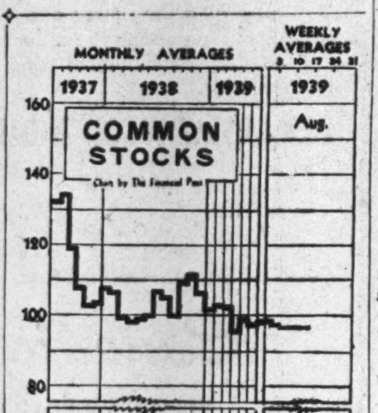
"Our economic system requires a steady inflow of new funds in order to sustain its functions of supplying goods and services and providing employment. Under normal conditions it gets these funds largely from its own business savings and from the sale of securities to investors. In recent years its savings have been meagre and its sales of securities have brought in little new money. The flow of pump-priming and expenditures has provided an expensive and inefficient supplement to the reduced contributions from business, but under the abnormal prevailing conditions it has been a highly important supplement.

* * *

"Since the beginning of the Great Depression new financing through the sale of stocks has almost disappeared. In the eight years from 1931 through 1938, stock issues have amounted to only one tenth of the new financing. One lesson that we ought to learn from this depression is that one sign of a healthy economy is the ability of productive enterprise to raise capital through the sale of stocks, and one symptom of a sick economy is its inability to do so."

In simple language what Col. Ayres is telling the businessmen of the United States, and it applies equally well to businessmen in this country, is that private capital is not going to venture a dollar in new enterprise unless there is more assurance than now exists that the dollar will be safe and that the profits resulting from its investment will not be eaten up in taxation.

Until our economic system makes it profitable to put money to work, private capital is not going to take a chance or replace the pump-priming activities of government.



Loss Reduced By Honey Dew

Three Months Profit Is $12,786 Against $5,740

Earnings of Honey Dew Ltd. in the three months ended July 31 showed substantial improvement, reducing loss incurred by the company in the previous two quarters.

In the three months period net profit before income tax provision, totalled $12,786, against $5,740 in the corresponding period of 1938. This betterment cut net loss to $1,665 in the nine months period ended July 31, from $1,720 in the same period of the preceding year.

In the six months period ended April 30, net loss on the same basis had been $14,451, against a net loss of $7,460 in the same six months of 1938.

Below are comparative profit and loss statements for the three-and nine-month periods:

Profit and Loss Account
Nine Months Ended July 31

	1939 $	1938 $
Sales	803,257	793,841
Add: Other inc.	4,764	6,581
Gross income	808,021	800,422
Less: Expenses	762,781	755,179
Operating profit	45,240	45,243
Less: Depreciation	40,669	41,026
Interest	6,236	5,937
Net loss*	1,665	1,720

*Before providing for income tax.

Profit and Loss Account
Three Months Ended July 31

	1939 $	1938 $
Sales	304,617	284,473
Add: Other income	1,280	2,255
Gross income	305,897	287,728
Less: Expenses	276,409	263,806
Operating profit	29,488	22,922
Less: Depreciation	14,458	15,017
Interest	2,244	2,165
Net profit*	12,786	5,740

*Before provision for income tax.

Commercial Alcohols Increases Issued Stock

From Our Own Correspondent

MONTREAL. — Montreal Curb Market has called for trading 550 additional common shares of Commercial Alcohols Ltd. These shares have been issued under the company's employees stock subscription scheme and bring the number outstanding to 180,340 shares.

Significant Investors' Index Numbers

1926 = 100

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg. mater. 15	Power and traction 15	Banks 8	Total utilities 19	Total co's. 95
1929-38:*												
High	432.5	113.4	273.4	423.5	113.5	197.8	204.6	281.1	197.6	131.7	166.0	198.3
Low	39.2	3.0	37.7	87.7	30.8	78.8	33.8	44.3	47.1	63.1	36.9	43.3
1939:												
Jan.	129.4	16.9	79.1	173.5	52.9	172.9	126.9	133.3	57.5	85.2	42.7	102.9
Feb.	129.4	16.4	77.6	175.9	54.3	175.3	130.4	133.6	58.2	85.3	42.9	104.1
Mar.	126.6	15.1	79.8	173.9	57.2	172.5	127.6	132.9	62.0	85.1	44.4	103.7
Apr.	111.1	11.5	71.4	162.9	53.1	169.2	116.9	119.3	58.9	83.7	41.9	96.2
May	112.5	12.0	78.9	170.2	55.0	176.3	120.4	124.6	60.8	84.7	43.2	99.2
June	114.2	12.4	77.4	153.2	56.2	179.2	124.7	128.8	60.8	85.0	43.7	97.0
July	118.0	12.7	75.0	154.0	59.8	182.1	124.8	129.5	59.2	85.0	42.7	97.3
Weekly Figures:												
Aug. 3	118.1	12.9	74.7	155.9	61.9	183.3	126.3	129.7	59.6	85.1	42.9	98.6
Aug. 10	116.4	12.5	76.7	154.6	61.4	183.2	124.8	127.7	59.0	85.3	42.5	97.5
Aug. 17	115.4	12.1	77.5	154.1	60.9	184.1	122.6	125.7	58.8	85.3	42.0	97.1

*High and low for year from 1929 to 1938 inclusive are based on weekly figures compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	10 B.M.	15 W.O.
Aug. 22	104.51	113.71	84.42	24.90
Aug. 21	105.10	113.21	84.45	25.18
Aug. 19	107.94	116.11	86.38	26.20
Aug. 18	109.22	117.15	86.60	26.43
Aug. 17	110.20	119.75	88.17	27.23
Aug. 16	110.76	120.21	88.69	27.34
Month ago	113.27	121.48	89.63	29.00
Year ago	122.59	125.84	92.70	33.92
High, 1939	125.92	128.95	101.27	45.00
Low, 1939	102.52	109.85	80.75	25.18

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Cbd.	10 Pprs.	15 Golds
Aug. 22	63.7	66.5	65.6	58.80	104.18
Aug. 21	64.0	66.9	66.0	57.49	105.22
Aug. 19	64.4	68.8	67.3	63.60	107.71
Aug. 18	64.9	69.7	68.1	65.08	108.40
Aug. 17	65.3	70.6	68.8	65.42	109.13
Aug. 16	66.1	71.1	69.4	66.89	110.29
Month ago	66.7	73.7	71.3	80.03	111.69
Year ago	67.4	84.7	79.0	132.68	129.14
High, 1939	70.1	85.0	79.1	119.77	126.48
Low, 1939		102.52	109.85	80.75	25.18

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Issued	Sold to	Rate	Due	Amount	Price	Yield
Brockville, Ont.	Aug.	Dominion Securities Corp.	2½%	1940-49	$20,300	99.579	2.5%
Joliette, P.Q.	Aug.	Hanson Bros.	3½% 4%	10-yr. ser. 30-yr. ser.	68,500 64,500	101.61	.....
Sherbrooke R. C. Sch. Com.	Aug.	Hanson Bros.	3%	15-yr. ser.	50,000	100.77	3.39%
Noranda Protestant Sch. Com., P.Q.	Aug.	Noranda Mines	4½%	1940-54	125,000	.....	.....

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Stock Issues—	Date Issued	Offered by	Rate	Class	Amount	Price	Yield
Anglo-Canadian Telephone Co. (additional)	Aug.	W. C. Pitfield & Co., Hanson Bros., Midland Securities Corp.	5½%	Pref.	$500,000	$50	5½%

GENERAL MANAGER

C. H. Berner has been appointed general manager of O'Keefe's Beverages Ltd.

Dominion Stores Sales Increase

Operations to Aug. 12 Show Increase of 7.21%

Sales of Dominion Stores Ltd. in the four weeks period ended Aug. 12 increased 5.89% over those in the corresponding period of 1938, registering the seventh consecutive gain in the current year.

Increase in sales to Aug. 12, amounted to 7.21%, although there were 42 fewer stores in operation at Aug. 12, 1939, than at the same time in 1938. There were, however, 10 more meat markets in operation, which had the effect of increasing sales per unit. On the basis of unit sales, a 16.21% average increase per store was shown in the last period, compared with the same period in the preceding year.

Following are monthly sales figures of the company to Aug. 12:

Monthly Sales
(Subject to final adjustment)

	1939 $	1038 $	Incr. %
Jan. 28	1,366,469	1,404,480	*2.71
Fab. 25	1,531,878	1,459,841	4,93
Mar. 25	1,680,272	1,472,091	14,14
Apr. 22	1,640,528	1,495,190	9.72
May 20	1,637,720	1,486,876	10.14
June 17	1,586,974	1,466,405	8.22
July 15	1,565,780	1,467,436	6.70
Aug. 12	1,423,805	1,344,634	5.89
	12,433,426	11,595,953	7.21

*Decrease.

Note:—In the period ended Jan. 28, 1939, 14 fewer stores were operated than in the 1938 period; Feb. 25, 15 fewer; Mar. 25, 34 fewer; Apr. 22, 43 fewer; May 20, 40 fewer; June 17, 38 fewer; July 15, 38 fewer; Aug. 12, 42 fewer (with 10 more meat markets).

N. Quebec Power Plans Extension

Said Considering Enlarging Quinze Plant to 60,000 H.P.

From Our Own Correspondent

MONTREAL.—Northern Quebec Power Co., a subsidiary of Canada Northern Power Corp., is reported to be contemplating an increase in the capacity of its Quinze River power development, from 40,000 to 60,000 h.p., at a cost of around $2 millions.

There is no official confirmation of this proposed development and in view of the Quebec Government's plan to establish a plant in the area served by the company, it is considered that this report may be premature.

Gain in Demand

Northern Quebec Power has reported a very substantial increase in power sales over the last three years. At the end of 1938 the company had more than 45 miles of transmission lines, and 32 miles of distribution lines in service. Power and electric energy were supplied to Noranda, Ville Marie, Val D'Or and Rouyn.

There is no direct investment interest in the company. Practically all of the issued capital and funded debt, are pledged on the Canada Northern Power Corp's. 5% collateral trust bonds.

Brown Co. Progress May Be Circularized

From Our Own Correspondent

MONTREAL.—Unofficial reports that securities holders of the Brown are that securities holders of the Brown Co., in receivership, will be sent a circular letter outlining progress in the matter of arranging to secure a loan from the Reconstruction Finance Corp. for working capital and in respect to drawing up a plan for reorganization of the capital structure.

Unofficially it is said that progress has been made on a plan which will give to the existing first mortgage bondholders, 50% of their claim and new general mortgage income bonds and the balance in new preferred and common shares; to the preferred, new common shares, amount not yet determined while the common stock would be scaled down.

Associated Breweries Outlook More Promising

From Our Own Correspondent

MONTREAL.—Associated Breweries of Canada expect a moderate increase in western Canadian business due particularly to the current crop prospects and to the acreage bonus plan, which is particularly helpful to farmers in the former drought areas. The statement to this effect was released by J. G. Walford, managing director, following a meeting of the directors at Vancouver.

At the same time it was announced that George R. Whitmore, of Regina, and a director of the company since its formation, has been elected vice-president.

Montreal City Again on Spot

Banks "Remind" City of $3 Millions Note Due August 29

From Our Own Correspondent

MONTREAL.—The City of Montreal faces another financial crisis! On August 29, the city has to meet a loan of $3 millions and the Bank of Montreal, Bank Canadienne Nationale, Royal Bank of Canada and the Banque Provinciale du Canada, have "reminded" the city of the loan and their intention of presenting the note on maturity.

The following is the most recent letter from the bank addressed to the city finance director Roberge:

"You doubtless have in mind that on the 29th instant a loan of $3 millions matures at the banks. You will recall that this loan originated on May 1 last, and was granted for a period of 30 days on the condition that within that period the city will give definite evidence, satisfactory to the banks, that steps are being actively taken to rehabilitate the finances of the city. Failing such evidence, the banks' full intention is to present this note to the city for payment at maturity.

"Since the maturity of the original loan it has been renewed for special reasons (city officials think to help the province of Quebec to negotiate a $30 millions loan in the United States) and at your request on two occasions, so that the city has now had four months in which to comply with the condition on which the loan was first granted. Please let us know how the city proposes to deal with this loan on August 29, advising us at the same time what steps have been taken with a view of improving the financial position of the city."

No Plan Devised

What the city will do to meet this loan anyone can guess. An increase of 35 cents per $100 on property valuation, or an arrangement to have a ratepayer take a writ of execution against the city in virtue of which the sheriff could step in and raise the money for the defaulting municipality by imposing the tax himself, were discussed by the aldermen. Under Section 356 of the City Charter, the finance director is obligated to increase taxation to prevent default by the municipality. While such action was discussed, it is not likely to be carried out. Meanwhile the city has written a letter to the banks asking for a further extension of 60 days.

Southern Canada Power Net Lower During July

From Our Own Correspondent

MONTREAL.—Southern Canada Power Co. reports a gross income in July of $199,502, an increase of $6,157 over the same month a year ago. Operating expenses were up $6,033 while senior charges advanced $770, leaving a deficit of $598 after paying dividends on the common stock. This contrasts with a profit of $48, after similar charges, for the same month last year.

Accumulated returns for the 10 months ended last July show a gross revenue of $1,996,625, an increase of $37,442 over the same period a year ago. Higher operating charges and increased reserves reduced the surplus after dividends to $25,395 as against $40,746 for the 10 months ended July 1938.

Conduits National Co. Sales, Profits Hold

Sales and profits of Conduits National Co. for the year to date are reported to be running on about the same level as those of the preceding year. Without any unusual factors intervening, business for the balance of the year is expected to be as good or better than last year.

In the year ended Dec. 31, 1938, net profit was equal to 42 cents on the 160,800 $1 par common shares outstanding, compared with 57 cents in 1937. During 1938 dividends of 20 cents were paid, while 30 cents has been paid in the year to date.

Former Commission Head Promoted by Simpson Co.

Hubert B. Keenleyside, formerly assistant general manager of the Robert Simpson Co. agency and order offices, has been appointed manager of the company's operations in the four western provinces. He will direct mail order, retail and agency and order office operations, with headquarters in Regina.

Graduating in 1923 from the University of Toronto in applied science and engineering, he spent several years in the United States. Later Mr. Keenleyside was appointed engineer of the Toronto Industrial Commission, and in 1931 became its general manager. He joined the Robert Simpson organization in 1936.

Alberta Truckers Plan To Fight Agreed Charges

From Our Own Correspondent

EDMONTON.—Alberta truckers fear the new federal legislation on "agreed charges," by which railway companies are empowered to reduce their freight rates, will drive many trucking firms out of business in the province. As a result, they are reported planning a campaign to oppose extension of the new system in Alberta.

Effect of the "agreed charges" plan hit close to home with Imperial Oil negotiation of an agreement recently, which gave the railways exclusive freight rights on transporting petroleum products of the company.

This agreement has not taken effect, pending filing of appeals by shippers or other carriers with the Dominion Transport Board. But Imperial Oil made its ban on truck shipments effective last week and truckers already are feeling the pinch.

Insurance Exchange Bldg. Will Spend $175,000

MONTREAL. — Insurance Exchange Building, Montreal, is carrying out alterations and renovations to the value of $175,000. The general contract has been let to the George A. Fuller Company of Canada.

Market Opinions

Commentators continue to stress domination of the domestic situation by European unsettlement; otherwise deem the outlook for business and the stock market satisfactory.

The Annalist, New York.—"The financial district assumes that, were it not for the European situation, the outlook would be favorable because it is believed that American business activity will expand further during the next two or three months. Business improvement in this country, however, will not offset a serious European crisis. Stock prices consequently are likely to continue to fluctuate on news from abroad."

* * *

The Financial World, New York.—"Further improvement registered by the favorable domestic background has been offset by renewed tension abroad as a stock market factor. Despite near term uncertainties, longer term outlook remains encouraging."

* * *

Barron's, New York.—(The Dow Theorist).—"Under the Dow theory, the primary trend is up, having been signalled as up on July 17, on which day the industrial average rose above its June 10 high of 140.14 and the railroad average rose above its May 31 high of 28.45. However, the high on that advance was reached July 22, and since then the secondary, or intermediate trend, has been down."

* * *

The Investors' Chronicle, London.—(Aug. 12).—"Of all these fears, the external threat is still the most potent. The technical market position may be sound enough, but only a small volume of selling is needed to bring the market lower these days, and European news is still uncertain enough to hold back the buyers. Whatever the political position may be domestically, it has improved to a reassuring degree within the last month and certainly does not justify unqualified pessimism at this stage."

* * *

Barron's, New York.—"Although events have shown the stock market to have been overeager in its July uprush that it had nothing tangible to discount, is not yet demonstrable. On the financial side, record-breaking supply of credit and record low bond yields still obtain. On the business side, business has been expanding and forward orders are such—when coupled with the resumption of activity by the motor industry—as to promise considerable further expansion. However, vacillating may appear a stock market which is currently no higher than it was almost three months ago, the domestic odds still favor equities as compared with cash or bonds."

B.C. Power Corp. Probe is Initiated

New Commission Starts Survey of Utility Operations

From Our Own Correspondent

VANCOUVER. — British Columbia's new Public Utilities Commission has started its investigation of B. C. Power Corp. rates with the appointment of Samuel R. Weston, former New Brunswick power commission engineer, as appraiser of the company's properties.

All B. C. power holdings and the operations of its various utility subsidiaries are to be surveyed, and under the legislation empowering the commission to make this enquiry, the company must pay for it.

Every phase of the company's operations is covered by the enquiry, including the supplying of light, power, heating, water, gas and transportation services. Sales of power to the company from its subsidiaries will be investigated as well as the actual holdings of the company itself.

B. C. Power is being surveyed first because it is by far the largest utility in the province. Other important companies to be affected eventually are East Kootenay Power & Light, West Kootenay Light & Power Co., West Canadian Hydro Electric, Northern Power Co., toll bridge companies and bus lines. B. C. Telephone Co. is exempt by virtue of its federal charter.

Railway Exchange Bldg. Earnings Show Advance

From Our Own Correspondent

MONTREAL.—Railway Exchange Building reports an income for the year ended April 30 last of $59,831, the best since 1933 and comparing with $55,440 in the previous year. Operating charges were $41,957, against $42,258 a year ago, leaving operating income at $17,874, as against $13,182 the year before. After interest and depreciation, deficit was reduced to $17,561 from $22,518 the previous year.

The balance sheet shows current assets of $44,534, including $31,579 of cash. In addition to $424,000 of 6½% first mortgage bonds, there was outstanding a 5½% mortgage of $38,500 payable to The Standard Life Assurance Co. and due August 12, 1945. Total deficit amounted to $130,289.

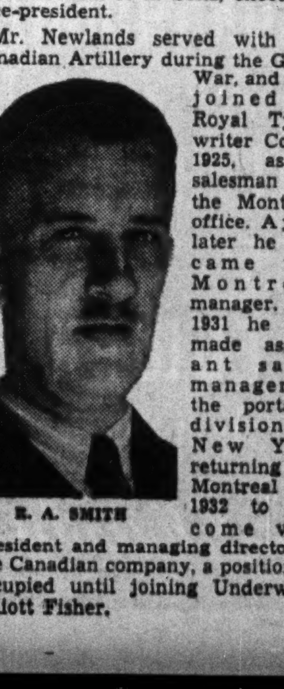
Two Sales Supervisors Underwood Elliott Fisher

Appointment of A. J. Newlands, former vice-president and managing director of the Royal Typewriter Co. at Montreal, as general sales supervisor for the eastern district of Canada, and of R. A. Smith, for 20 years superintendent of office equipment for T. Eaton Co. at Winnipeg, as general sales supervisor for the western district, is announced by J. J. Seitz, president of Underwood Elliott Fisher Limited.

A. J. NEWLANDS

Co-ordination of sales activities among the typewriter, adding-accounting machine and office supply divisions of the company in the eastern provinces will be part of Mr. Newlands' duties, says Mr. Seitz, with Mr. Smith assuming similar responsibility in the west. They will operate directly under the president's office, in conjunction with J. L. Seitz, executive vice-president.

Mr. Newlands served with the Canadian Artillery during the Great War, and first joined the Royal Typewriter Co. in 1925, as a salesman in the Montreal office. A year later he became the Montreal manager. In 1931 he was made assistant sales manager of the portable division at New York, returning to Montreal in 1932 to become vice-president and managing director of the Canadian company, a position he occupied until joining Underwood Elliott Fisher.



R. A. SMITH

Stedman Bros. Earnings Rise

Sales of Stedman Bros. Ltd. in the current year to July 15 were up approximately 7% over the same period in 1938. Earnings showed a slightly better increase than sales during that period.

The company is looking forward to good business in the fall, and if this materializes earnings for the year will be substantially higher than in 1938.

Last year, net profit was equivalent to $2.93 a share on the common stock, against $2.79 a share in 1937. Net profits have shown an uninterrupted upward trend since 1932.

Johnson Retires From T.C.A. Lines

D. B. Colyer Will Take Over Supervision from September 1

From Our Own Correspondent

MONTREAL.—Despite earlier reports and official denial Philip G. Johnson, vice-president in charge of operations of Trans-Canada Air Lines, is retiring on Sept. 1 and will be succeeded by D. B. Colyer, chief executive adviser. Announcement to this effect has been made by S. J. Hungerford, president of T.C.A.

D. B. COLYER

When Mr. Johnson left his position as head of United Air Lines in the United States to supervise the formation of the T.C.A. two years ago, he stipulated he would remain only a sufficient length of time to see the enterprise in question organized.

Mr. Johnson is returning to the United States to attend to other business engagements, but has agreed to devote a portion of his time for the further stages of development of T.C.A.

His successor, Mr. Colyer, will assume his new duties Sept. 1, with headquarters at Montreal. He has been associated with aviation for the past 20 years, occupying at various times the positions of superintendent of flying, division and general superintendent, U. S. Air Mail Service; vice-president of operations, Boeing Air Transport Inc.; and a similar position with United Air Lines Corp.

Investment Notes

Biltmore Hats Ltd. sales to the end of July in the current year were approximately 8% over those of the corresponding period in the preceding year. Net profit for the period increased slightly more than the percentage betterment in sales.

National Steel Car — Financial statement for the year ended June 30 is slated for release at the end of the week. Unofficial reports are that the company will show about $4 a share on the stock. This contrasts with indicated earnings of $5.68 a share at the end of the first five months.

Aluminum Co. of Canada—Prospects of a substantial increase in earnings this year are indicated by the trade figures. Imports of aluminum, including bauxite, amounted to 1,179,193 cwt. during June. This compares with 584,217 in May and 841,255 cwt. in June, 1938.

Montreal Cottons—This company is reported to have experienced a marked improvement in business and net profits for the year ended Dec. 31 next are expected to reveal a substantial increase over the preceding year.

Ford Motor Co. exports now absorb slightly more than half the total production of the Windsor plant. Expenditures in the Dominion totalled more than $32.6 millions in 1938, which was approximately $5 millions more than total revenue from domestic sales. Expansion in subsidiary plants in Malaya, India and Ceylon has been authorized this year.

Aluminium Ltd. has taken out supplementary letters changing its head office from Toronto to Montreal.

B. C. Packers—Canada secured almost 30% of the British canned salmon business in 1938, compared with 34% for Japan; 26% from Russia, and 26% from the U. S.

A CANADIAN PRODUCT THAT PROMOTES HEALTH AND ECONOMY FOR CANADIAN BUSINESS
Interlake
TISSUE MILLS CO., LIMITED
TORONTO, CANADA
Ask about the Interlake Vertical Dispenser
Interlake
PAPER TOWELS
Senior Size

Simpsons, Limited
4¼% First Mortgage and Collateral Trust Bonds
Due December 1st, 1951
Price: At the market, to yield about 4.05%

Simpsons merchandising organization serves Canada from coast to coast. During the current year, earnings of the Company have been well maintained.

Improvement in working capital during recent years is enabling the Company, without the creation of additional debt, to retire on January 1st, next, the outstanding $1,123,129 First Mortgage 5% Bonds of The Robert Simpson Company, Limited.

Descriptive circular forwarded upon request.

Wood, Gundy & Company
Limited
Toronto Montreal London, Eng.
Winnipeg Ottawa Hamilton Vancouver London, Ont.

Inter. Petroleum Production Down

Crude Oil Output Continues Downward Trend

Crude oil output of both the Peru and Colombia fields of International Petroleum Co. in July declined 26,049 bbls. from the June output. The decrease was attributed wholly to a drop in Colombia production, as output from the Peru field increased to 862,345 bbls. for July, from 831,151 bbls. in June.

Daily average output of both fields dropped to 84,950 bbls. from 88,650 in the previous month, and compares with average daily output for the year to the end of July of 88,633 bbls.

Production of both fields for the year to the end of July in 1939 was 18.8 million bbls., compared with 19.8 millions in the corresponding period of 1938. Production of the Peru field in the seven months' period was 6.4 million bbls. compared with 7.7 million bbls. in the corresponding period of 1938, and Colombia output was 12.4 million bbls., against 12.1 million bbls.

Monthly Crude Oil Production

1939	Peru bbls.	Colombia bbls.	Total bbls.	Daily aver.
Jan.	1,039,421	1,688,264	2,727,685	87,990
Feb.	914,633	1,609,136	2,523,769	90,134
March	990,928	1,791,493	2,782,421	89,756
April	934,319	1,799,040	2,733,359	91,112
May	953,966	1,805,921	2,759,907	89,030
June	831,151	1,828,354	2,659,505	88,650
July	862,345	1,771,111	2,633,456	84,950
	6,432,782	12,357,309	18,790,091	88,633

Two British Columbia Drug Chains Merged

Merger of the two principal drugstore chains in British Columbia has been approved by the B. C. Supreme Court. The two organizations, Cunningham Drugstores and Vancouver Western Drug Ltd., represent about $850,000 of assets. Approval of more than the required 75% of preference shareholders has been obtained. The new organization will be Cunningham-Vancouver Drug Co.

According to the new capital setup, there will be $310,000 of 5½% $50 par value preference shares of the new company, in place of $385,900 6½% $100 par preference shares of Vancouver Western Drug. The old 6½% preference shares will be exchanged for new 5½% preference shares on the basis of $80 par value and $25 in cash, for every $100 par value of old 6½% preference shares of Vancouver Western Drug.

Second Inter-State Royalty Reports on Investments

From Our Own Correspondent

MONTREAL.—Second Inter-State Royalty Corp. has reported to the Montreal Curb Market that at July 31, 1939, investment in all royalties had a book value of $236,463.

Gross revenue from royalty funds and requisition amounted to $71,218 up to June 30, 1939, and the reserve for depletion totalled $19,583. During last June the corporation had a gross royalty income of $1,849.

Marine Industries Ltd. Working on New Units

From Our Own Correspondent

MONTREAL.—Engineers of Marine Industries Ltd. are at present completing plans for the proposed new plant unit or units at Sorel, according to a statement issued by E. deG. Power, vice-president of the company. An initial unit consisting of a mill building intended to be designed to have dimensions of approximately 400 by 220 ft., and of structural steel and brick construction, is likely to be started immediately. Further units also may be undertaken, although details are yet to be settled.

Wood, Alexander Calls Bonds for Redemption

Wood, Alexander & James will redeem on Oct. 4, total $26,000 principal amount of its 6% first mortgage bonds at 103 and accrued interest. The bonds have been drawn by lot for payment.

Bonds are to be presented with unpaid interest coupons attached to the main branches of the Bank of Nova Scotia at Toronto, Montreal and Hamilton.

Bondholders wishing to surrender bonds called for redemption prior to redemption date may do so at National Trust Co., Hamilton.

Additional Stock Issued By Fleet Aircraft Ltd.

From Our Own Correspondent

MONTREAL.—Montreal Trust Co. as trustee, announces that as of Aug. 17, Fleet Aircraft Ltd. has issued 72,000 of the 90,000 shares offered to the shareholders and public. As a result the Montreal Curb Market has called for trading an additional 2,000 shares, 70,000 shares having already been called for trading.

FOR SALE
An Industrial Business in the West . . .

. . . which has had a successful run of nearly 25 years can be purchased by acquirement of common stock (only stock issued). In a fast growing city. Plant centrally situated. Valuable contracts. Reason for selling, age of Vendors. Incorporated. No trade debts. Communications treated privately.

Address all Enquiries to
(Dept. M)
J. J. GIBBONS LTD.
159 Bay St., Toronto 2

ALUMINIUM
LIMITED

Our memorandum on this Canadian leader in a rapidly growing industry has been revised to include new data. Copy on request.

Ask for Memorandum P33

Greenshields & Co
Members Montreal Stock Exchange
Montreal Curb Market
507 Place d'Armes, Montreal
TORONTO OTTAWA QUEBEC
SHERBROOKE

Anglo-Canadian Telephone Co.
5½% Cumulative Preferred Stock
($50 par value)

For the 3½ year period ending 30 June, 1939, the average net income amounted to 2.39 times the annual Preferred Dividend requirement.

Price: $50.00 per share and accrued dividend

HANSON BROS.
INCORPORATED
Established 1883
255 St. James St. West
MONTREAL
OTTAWA TORONTO

Classified Advertisements

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad., $1.75. Three insertions for the price of two. Add five words when box number is required. Classified ads. payable in advance.

Position Wanted

WOMAN EXECUTIVE, FIFTEEN years proven ability in Credit, Advertising, Estates Management and Statistics. Good appearance, much travelled, superior training. B.A. degree majoring Psychology and Economics, graduate bookkeeper, good typist, capable supervising people and routine work. Wants specialized office position anywhere in Canada. Box 162, The Financial Post, Toronto.

Position Wanted

PRODUCTION MANAGER IN PAPER Mill at present engaged desires change for better opportunities, would consider an association with manufacturer or converter where a knowledge of paper would be of some value, paper mills not excepted, broad practical experience and intimate knowledge of office routine and claims investigator. Will arrange direct references and interview if desired. Box No. 149, The Financial Post, Toronto, Ont.

EXPERIENCED TRAVELLERS CARRY MONEY SAFELY

Canadian Pacific Express TRAVELLERS CHEQUES

DON'T GET YOUR NAME IN THE PAPERS

RESERVE TIRE

●Every week-end the newspapers contain the names of those injured in motor accidents due to blowouts. You may never have had a blowout : : : but this hazard rides with you always. Goodyear LifeGuards can make your car *safe* from blowout accidents. Keep your name out of the papers : : : have your Goodyear dealer equip your car today, with : : :

GOODYEAR LifeGuards

N52

Bond Sales

Brockville, Ont.

Dominion Securities Ltd. has purchased $20,300 of 2½% 10-installment debentures of Brockville, Ont., at 99.579, representing a cost basis to the city of 2.58%. The debentures were issued to pay for paving.

Bond Markets

Bond Prices Weakened But Liquidation Limited

Pressure of Events Abroad Has Effect But Lack of Dumping Suggests More Confidence Than During Crisis a Year Ago

Steady pressure of critical developments abroad during the past week have perceptibly weakened all bond prices. Although considerably short of the post-Munich decline, frenzied international manoeuvring has brought about a retreat of high-grade bond prices.

There has been little evidence of liquidation, indicating the more confident sentiment existing now than that of the September crisis. It may also be attributed in part to the immunity that investors are building up with continued inoculations of alarms.

The bond market's performance during August has been poor in the extreme. Besides the usual holiday inertia, there has been the knowledge well advertised in advance, of an impending Polish-German clash.

* * *

Prices Weaken

As a result of unfavorable underlying conditions, bond prices have been weakening gradually and slowly during the month. The Dominion Bureau of Statistics' index of Dominion long-term bonds has been receding gradually from its high point. More speculative issues have been geared to the steadily declining stock market since the July advance.

On the favorable side of the picture is the good domestic outlook in Canada and the U.S. Given any opportunity, increased steel production, the better outlook for motor car sales, good wheat crops in both countries, and other favorable factors, would be the general signal for an advance all along the business front.

Under the surface there are strong factors working for peace, the natural disinclination of people to plunge into war and the strenuous efforts of church and statesmen to avert a holocaust.

The New York market in the past month has usually placed a more optimistic interpretation upon developments than has London. On the other hand, German attempts to shake British nerves have not been crowned with the same success as last September. There has been no panicky dumping of British Government securities. Nor has it been found necessary to peg prices.

* * *

Municipal Bonds

There was a moderate amount of activity in municipal debentures during the week. A number of issues were sold at favorable rates. If the fall brings some alleviation of the present tenseness, a substantial volume of municipal financing may be looked for.

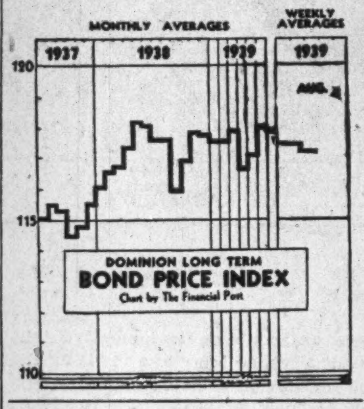
The whole industrial list declined in dull trading. Grain elevators displayed some firmness.

Yield on Dominion treasury bills reached a low for the year with the last sale of 90-day bills. Average yield on the $25-millions issue was 0.553%.

* * *

U. K. Defense Loan

So far this year prices of high-grade obligations in Canada have followed more closely the trend of U.S. markets than those of the U.K. In the latter case, prices have been softening, and there appears little reason for believing that there will be any reversal of the present trend. There will, in all probability be a British defense loan some time in the autumn, which is not likely to enhance government security values.



At the present time the British Government is obtaining funds necessary for its gigantic armament programme through the medium of treasury bills. This will not disturb the gilt-edged market, a development which would be highly undesirable from the standpoint of both borrower and investor at the present time.

* * *

Diversion to Equities

Another factor tending to depress high-grade prices is the diversion of investment funds to equities. Some of the fear of British investors in a decline in high grades if the Government comes to the market with a defense loan in the fall, is expressed in the swing from fixed-term securities. The popularity of equities may in a large degree be ascribed to fear of inflationary developments, which would work against fixed-term obligations.

One news agency reports that borrowing in the London market may reach $4,000 millions (£800 millions) for all purposes by the end of the year. This tremendous sum is bound to have a weakening effect upon a market, from which funds have already shown a predisposition to flee.

Normally this would have an effect upon Canadian market immediately, and still may, after a protracted period, influence security prices here. But high-grade prices have remained remarkably strong in Canada, and the influx of capital from abroad has done much to counteract the depressing influence of the U.K. market.

* * *

Brazilian Parleys

Negotiations between Brazilian bondholders' representatives and the newly created foreign debt committee are being conducted at Rio de Janeiro, with the object of reaching some settlement whereby service on the country's external debt may be resumed.

Not only the dollar bondholders, but representatives of French and English bondholders are present. The meeting was termed "preparatory" and will be followed by others, at which resumption of interest payments will be discussed.

* * *

DOMINION OF CANADA
Long-term Bond Index

	Latest week Aug. 11-17	Preceding week Aug. 4-11	Weekly average year ago
Price	117.5	117.6	117.6
Yield	60.8	60.6	62.7

Better Finances Raise Edmonton Bond Prices

From Our Own Correspondent

EDMONTON. — Edmonton bond prices have shown increased strength during the past six months. Civic officials give as reasons for increases the following:

1. City sinking fund board's plan, under provisions of the Fortin refunding scheme, of purchasing Edmonton debentures for cancellation. Since adopting the scheme more than two years ago, $1,250,000 city bonds have been bought and cancelled.
2. General return of confidence in future of the district which also is reflected in smaller increases in prices of Calgary and Province of Alberta bonds.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Robt. Simpson ..	*5%	1952	Jan. 1 '40	105
Dom. Textile	4½%	1955	Sept. 1	105
Brit. Amer. Oil .	•4%	1940	Sept. 1	101½
B. A. Oil, s.f. deb.	4%	1945	Sept. 15	101½
Okanagan Tel. ..	6%	1953	Sept. 1	102
Prov. L. H. Pr. .	†5%	1946	Sept. 1	105
Wood, A. & J. ..	‡6%	1944	Oct. 4	103

*All outstanding balance. For sinking fund purposes: †$63,000. ‡$26,000. •$222,000.

Bond Tenders

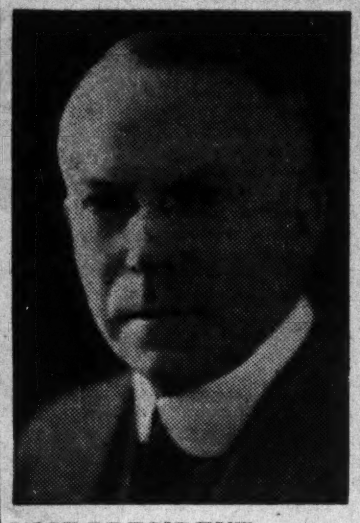
8 p.m., Aug. 28, Rimouski—$30,000, 4%, dated July 1, 1939, maturing in 1954; $55,000, 4%, dated Aug. 1, 1939, due in 15 or 20 years. Geo. D'Auteuil, sec.-treas.

8 p.m., Aug. 28, Mun. Village of St. Gabriel De Brandon, P.Q.—$25,000, 4%, dated Aug. 1, 1939, due serially 1 to 25 years. Dr. L. Brissette, sec.-treas.

5 p.m., Sept. 11, Farnham, P.Q.—$20,000 4%, dated Aug. 1939, redeemable annually in 20 years. Armand Bordeleau, sec.-treas.

Ford Lets Contract

Contract has been awarded for construction of $50,000 hospital unit at the machine shop of the Ford Motor Co. of Canada plant in East Windsor, Ont. Glass block will be used extensively in the unit.



VICE-PRESIDENT

George R. Whitmore, Regina, has been elected vice-president of Associated Breweries of Canada.

Abitibi Power Income Down

Despite Increase in Newsprint Shipments for Period

Earnings of Abitibi Power and Paper Co. in July continued their downward trend, in evidence in the past four months. Earnings for the month, before depreciation of $148,750 and bond interest, including interest on overdue and unpaid interest of $276,530, amounted to $191,633, against $256,843 in July, 1938. This is a decrease of 25.39%.

In the year to July 31, earnings totalled $1,242,492, compared with $1,387,052 in the same period of 1938, representing a reduction of 10.42%. This decrease was brought about despite a marked increase in the shipments of newsprint and bleached sulphite during the period.

In the report to bondholders and shareholders of Abitibi Power and Paper Co., G. T. Clarkson, receiver and manager, reports that shipments of newsprint to July 31 amounted to 162,495 short tons, against 149,875 short tons in the same period of 1938. It is estimated that shipments of newsprint in August will be about 24,500 tons.

Bleached sulphite shipments also increased, to 22,181 short tons from 17,116 in the same period of 1938.

‡Monthly Earnings

	1939 $	1938 $	Incr. %
Jan.	162,297	114,219	42.09
Feb.	125,556	77,469	62.07
March	150,400	140,258	7.23
April	175,446	181,932	*3.57
May	237,830	285,264	*16.63
June	199,330	331,067	*39.79
July	191,633	256,843	*25.39
	1,242,492	1,387,052	*10.42

*Decrease. ‡Before bond interest of $148,750 and bond interest of $276,530. In July including interest on overdue and unpaid interest of $271,502.

Newsprint Shipments

	1939 Short tons	1938 Short tons
Jan.	21,688	18,058
Feb.	20,542	16,004
March	22,333	18,239
April	24,293	22,001
May	27,201	25,412
June	24,239	27,201
July	22,199	22,960
	162,495	149,875

Shipments of Bleached Sulphite

	1939 Short tons	1938 Short tons
Jan.	3,422	2,150
Feb.	2,846	1,937
March	3,461	2,183
April	3,261	2,841
May	3,435	3,000
June	2,863	2,142
July	2,893	2,863
	22,181	17,116

I.P. Converts Loss to Profit

From Our Own Correspondent

MONTREAL. — International Paper and Power Company and subsidiaries, excluding International Hydro-Electric System, reports a net profit for the quarter ended June 30, 1939, of $77,739. This is after interest, amortization, depreciation, depletion, income taxes and provision for accrued dividends on subsidiary preferred stock not being currently paid. The net profit was equal to 8 cents a share on the outstanding convertible preferred, on which undeclared accumulated dividends amounted to $10 a share on June 30 last.

The showing made for the past quarter represents a marked improvement over the same period of 1938 when there was a net loss after all charges, of $576,181.

Loss into Profit

For the first half of 1939, the company reports a consolidated net profit of $90,167, equal to 9 cents a share on the convertible preferred. This contrasts with a net loss of $701,116 in the first half of 1938.

Richard J. Cullen, president, announces that The International Paper Co. has completed arrangements with the Chase National Bank of the City of New York, the First National Bank of Boston and the Bankers Trust Company for refunding both issues of its secured sinking fund notes, due in 1940-41, respectively, by a new issue to the same banks of $13 million secured notes.

The new notes mature serially in varying amounts of six month intervals from December 30, 1939, to December 30, 1944. Interest rates vary from 1½% on the first maturity to 4¼% on the last two maturities, averaging about 3.75% over the life of the issue.

Income and Surplus Account
(Three Months Ended June 30)

	1939 $	1938 $
Sales and other inc.:		
Gross sales	25,903,517	22,557,434
Other income—net	272,695	231,272
	26,176,212	22,788,706
Cost and expenses:		
Cost of sales	16,494,267	14,549,784
Main., repairs	1,496,182	1,341,401
Taxes	719,864	674,305
Freight, etc.	3,370,537	2,810,054
General exp.	1,466,574	1,385,909
B. debts prov.	153,425	152,756
	23,700,852	20,914,212
Deductions:		
Bond interest	844,447	910,320
Other interest	330	6,110
Amortization	93,437	96,617
Depreciation	1,180,583	1,089,643
Depletion	203,893	241,100
Income taxes	57,407	88,849
Dividends	17,521	18,033
	2,397,621	2,450,674
Net profit	77,739	*576,180

*Loss.

Pulp and Paper Industry

Newsprint Acceleration Lacking

From Our Own Correspondent

MONTREAL.—More or less complete figures on the newsprint industry and the American market up to the end of last month show production of paper is still somewhat greater than consumption. But the returns do not reveal any tendency, beyond seasonal, for the buyers to stock up with newsprint.

Sale of paper in the overseas markets, judged by the export figures for Canada, is off slightly from a year ago, but the decline is not of major proportions.

Canadian consumption, also on the basis of shipments, appears to be moderately better this year than in 1938.

Last month the American publishers reported a slight falling off in consumption of newsprint paper from the June returns, but compared with a year ago there was an increase of 1.1% in tonnage.

To the end of July apparent consumption of newsprint in the United States was 0.7% ahead of the like period a year ago.

Stocks Up Seasonally

Because of the excess of production over consumption, and seasonal influences, paper stocks have risen. American publishers reported an apparent supply at the end of last month totalling 347,187 tons. This compares with 338,503 tons at the close of the preceding month.

Meanwhile the North American manufacturers, as reported last week, increased their stocks of paper during July, bringing the total of all stocks at the end of the month to 650,367 tons.

Surplus Not Serious

The increase in publishers' stocks was not of serious proportions. The gain in aggregate stocks, i.e., mill and publishers, while not especially encouraging, has not yet reached an abnormally high point.

Taking the two holdings as a unit the current supply of newsprint is too great for the demand. However, the supply above "normal" could be readily reduced to more reasonable proportions without seriously interfering with the current rate of production.

As a matter of interest the following table shows the North American supply of newsprint at the end of July in each of the past five years:

Apparent N. A. Stocks
End of July

	Tons
1935	608,285
1936	593,115
1937	795,586
1938	702,128
1939	*650,367

*Contrasts with all-time high of 920,693 tons at end of October, 1937, and with a low of 525,187 tons at end of 1936, since the beginning of 1935.

The trend of stocks since the beginning of 1938 is more clearly shown in the monthly tabulation. What these figures do not show is that the publishers' supply has been reduced from the high point of 766,893 tons in December, 1937, to 347,187 tons at the end of last month.

Over the same period North American mill stocks increased from 110,626 tons to 303,180 tons, though it should be remembeerd that the former figure was abnormally low. A clearer picture would be obtained by mentioning that the largest supply in the last five years was reported at 313,795 tons in September, 1937.

Canadian and Newfoundland mills have been solely responsible for the increase in mill stocks, the American mills having reported a decline.

	1939 Tons	1938 Tons
Jan.	625,653	885,037
Feb.	635,011	861,726
Mar.	634,555	833,650
Apr.	625,292	790,131
May	622,468	767,220
June	630,498	724,601
July	650,367	702,128
Aug.	......	719,389
Sept.	......	691,733
Oct.	......	688,764
Nov.	......	665,200
Dec.	......	620,548

Output Nears Stability

Judged by the returns to the end of July, as briefly outlined previously, the indications are that, beyond seasonal changes, there will be no major change in Canadian newsprint production between now and the end of the year; unless there is stocking up because of war conditions.

Forecasts as to business in the United States for the balance of the year do not indicate any marked upswing, so that advertising volume should continue much along the present lines or fractionally lower. Consumption of paper will run about the same as a year ago.

Last year publishers met part of their requirements by drawing down from surplus stocks. This practice, but on a much smaller basis, was carried out earlier in 1939. At present, however, the publishers are more or less dependent upon mill deliveries.

Overseas shipments this year are likely to be about 25,000 tons under those reported for 1938. Canadian domestic shipments may be slightly larger, but the gain will have no material effect on the grand total.

No Major Change Seen

It would appear from present evidence that production in the Canadian mills this year will not exceed 2,750,000 tons. This is in line with forecasts made earlier in the year and compares with 2,624,000 tons produced in 1938 and 3,647,800 tons in 1937.

From the point of view of the investor in newsprint securities, a production of 2¾ million tons means that the accounts of the operators will show much the same results—senior charges covered with a fair balance for depreciation and depletion. It also means further strengthening in the balance sheet position of the operators, but precludes the likelihood of any distribution on the junior securities.

Overseas Sale Newsprint Off

Small Extent of Drop Is Due to Empire Demand

From Our Own Correspondent

MONTREAL. — Canadian newsprint shipments to overseas countries for the first half of 1939 totalled 216,772 tons, compared with 231,217 tons for the corresponding six months of 1938.

The relatively small decline in sales does not indicate the shrinkage of some of the overseas markets, particularly those in South America where Canada shipped fairly substantial quantities prior to 1938. However, the figures do indicate that the overseas demand is holding and no particularly serious losses have been recorded this year contrasted with 1938.

Returns for the first six months of this year compared with the like period of 1938 show that the United Kingdom increased its purchases, as also did South Africa and Cuba. The Australian and New Zealand demand was about the same as it was a year ago.

Other Markets Decline

Aside from the Empire markets, the demand from other overseas countries for Canadian newsprint is of very limited proportions. For the half year the Argentine purchased 2,793 tons, as against 16,218 tons a year ago. There were no shipments to Chile, Peru, Uruguay or Japan; in other years, these countries have been fairly important customers. The volume to other markets amounts to a few hundred tons in each case.

Canadian Newsprint Exports
(Six months ended June)

	1939 $	1938 $
United Kingdom	87,920	78,878
Ireland	5,205	7,860
Australia	83,141	85,883
New Zealand	12,559	15,514
South Africa	13,645	10,463
Other Africa	448	361
Argentina	2,793	16,218
Bolivia	23	......
Chile	......	726
Colombia	103	88
Peru	......	402
Uruguay	......	1,110
Venezuela	663	836
Other South America	28	110
Central America	233	549
Mexico	29	94
Cuba	4,594	4,088
Jamaica	303	794
Japan	......	1,769
Other Asia	120	1,210
All other	4,965	4,264
Overseas total	216,772	231,217

Latest development in paper manufacture
"Sampson White Envelope"
has a bond finish; is carried in two weights; is brilliant white; is opaque, and has the unusual qualification of having the strength of a rag content bond three times the price.
Toronto Envelope Co.
LIMITED
366 Adelaide St. W., Toronto

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning directly or through subsidiary companies, mills at
Beaupre, Que. Iroquois Falls, Ont.
Pine Falls, Man. Smooth Rock Falls, Ont.
Sault Ste. Marie, Ont. Fort William, Ont.
Port Arthur, Ont.
Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

A Good Name
For over 70 years the name Maclaren, in the Ottawa Valley, has stood for fair dealing and a quality product.
Newsprint—Groundwood
270,000 h.p. **Hydro Power** *Installed capacity*
MACLAREN POWER & PAPER COMPANY
Maclaren-Quebec Power Company
The James Maclaren Company Limited
BUCKINGHAM, QUEBEC

ANGLO-CANADIAN PULP AND PAPER MILLS
LIMITED
Manufacturers of
NEWSPRINT PAPER
CAPACITY: 600 TONS DAILY
OFFICES and MILLS at QUEBEC CITY
Direct Connection With Both Canadian Railways
Privately-owned Wharf on Tidewater

FRASER COMPANIES LIMITED
FRASER PAPER LIMITED
RESTIGOUCHE COMPANY LIMITED
Manufacturers of
LUMBER SULPHITE PULP PAPER BOARD
GROUNDWOOD PRINTING PAPER
BLEACHED SULPHITE PAPER
"RESTICOSE" RAYON PULP
Executive Office: *Dominion Square Bldg., Montreal, P.Q.*
General Office: *Edmundston, New Brunswick*

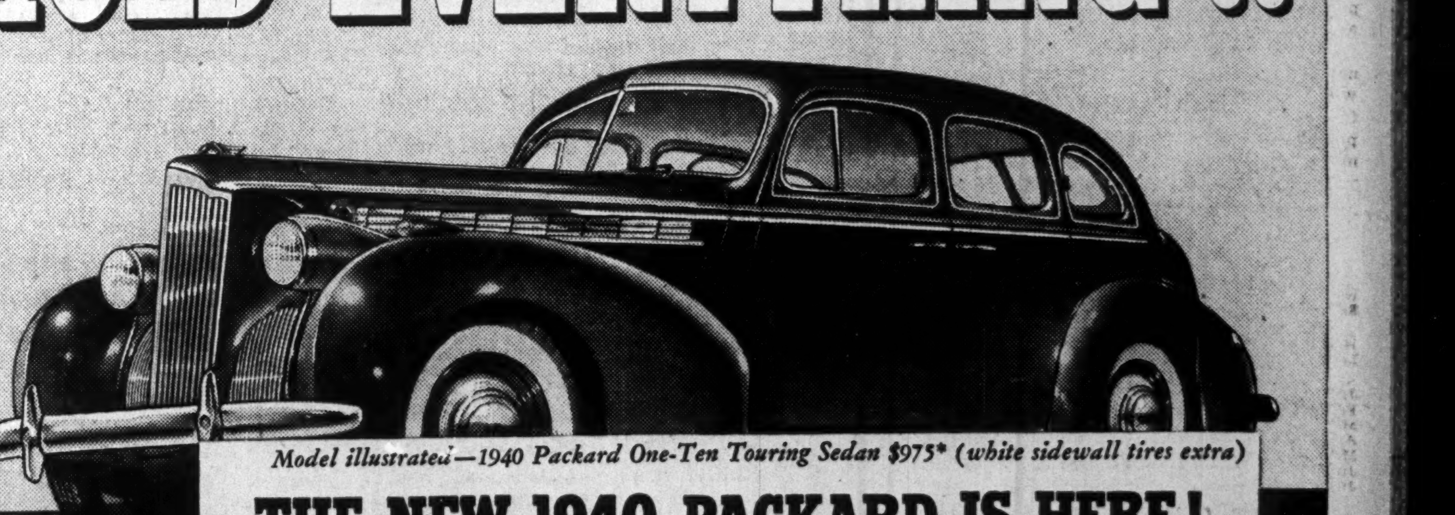
In Montreal

Business men prefer the Windsor for its convenient location, its modern comforts, its old-fashioned traditions of hospitality — and because this hotel is recognized as the proper place for business and social meetings.

THE Windsor
ON DOMINION SQUARE
J. ALDERIC RAYMOND
Vice-President

BUILDING PRODUCTS LIMITED BP
EFFECTIVE VAPOR-SEAL
INSUL-BOARD
Moisture Proof INSULATION
PREVENTS CONDENSATION IN WALLS AND ROOFS
Plaster Base - - Wall Sheathing - - Roof Insulation
BUILDING PRODUCTS LIMITED
MONTREAL WINNIPEG TORONTO SAINT JOHN HAMILTON HALIFAX

HOLD EVERYTHING !!



More car for your money!

Model illustrated—1940 Packard One-Ten Touring Sedan $975 (white sidewall tires extra)*

THE NEW 1940 PACKARD IS HERE!
—a performing marvel
—with stunning new lines
—at lowest prices in Packard history

Look at it! The handsomest Packard ever designed, with its new speed-streamed lines, its narrower radiator, its longer bonnet.

Drive it! With *greater power per pound of car weight,* this new Packard is a performing marvel!

Check its thriftiness! This new Packard's economy is easy on the budget any way you figure it.

For with its 4-year expansion plan completed, with factory costs reduced in hundreds of ways—Packard now offers you more car than you ever dreamed so little money could buy. See your Packard dealer today!

ASK THE MAN WHO OWNS ONE

PRICES STILL FURTHER REDUCED as much as $133 less than a year ago
$867
AND UP, *delivered in Detroit, State taxes extra

The Financial Post

Member Audit Bureau of Circulations

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

The Financial Post has the largest paid circulation of all Canadian financial papers.

THE FINANCIAL POST BUSINESS YEAR BOOK AND MARKET SURVEY, YEARLY, $2.

THE FINANCIAL POST SURVEY OF CORPORATE SECURITIES, YEARLY, $2.

THE FINANCIAL POST SURVEY OF MINES, YEARLY, $2.

DIRECTORY OF CANADIAN DIRECTORS AND OFFICIALS, $8.00.

THE FINANCIAL POST SURVEY OF CANADIAN OILS, YEARLY, $1.

THE FINANCIAL POST CORPORATION SERVICE, $20 monthly. Special prices for individually selected investor's service.

Editor—FLOYD S. CHALMERS
Business Manager—D. M. GOWDY
Published by
THE MACLEAN PUBLISHING CO., LIMITED
481 University Avenue, Toronto 2.
Founder and Chairman—JOHN BAYNE MACLEAN
President—HORACE T. HUNTER
Vice-President and Managing Director—
H. VICTOR TYRRELL

ADVERTISING RATES
Single insertion—$4.20 per inch.
Contract rates upon request.

SUBSCRIPTION PRICE
Canada, United States, Mexico, British Empire, $5 per year, all other countries, $6.

MONTREAL—Dominion Square Bldg., Murray R. Chipman, Eastern Manager: John E. Langdon, Eastern Editor.

GREAT BRITAIN, London—Sun of Canada Bldg., 2, 3 and 4 Cockspur St., London, S.W.1. Telegraphic Address, Atabek, Lesquare, London.

TORONTO, AUGUST 26, 1939

The Financial Post Editorial Platform for Canada

The duty of political leaders is to lead; to give direction to public opinion; to act with courage in matters of public policy; to combat inertia in the conduct of the nation's business.

The Financial Post stands for LEADERSHIP of this kind in Canada.

Such leadership is essential to preserve our free and democratic institutions. It is urgently needed, now, in Canada, in order to:

1. *Eliminate waste in public business.*
2. *Put idle resources of manpower and materials to work.*
3. *Maintain financial integrity in meeting public and private obligations.*
4. *Promote a spirit of national unity in place of conflicting sectional loyalties.*
5. *More efficiently organize Canada's trade.*

Modern Showmanship

IN THE next few weeks, millions of people will attend fall fairs and urban exhibitions throughout the country. These happy gatherings have become a familiar, important part of Canadian life at this time of year.

Some of the larger fairs are worried about the competition of New York and San Francisco. They fear fewer "visitors" from across the line. They expect some of our own people to be tempted to drive across the border to the World of Tomorrow rather than spend time and money at their own exhibitions.

But every fair held in Canada this year should benefit greatly because of the modern showmanship displayed by industries (and by governments) at these big expositions. Seldom has so much sales and engineering skill been used to tell the story of great achievements in the field of business, transportation, utilities. Seldom has there been such an opportunity to see and learn the great stories of industrial and scientific progress.

If Canadian exhibitors have taken advantage of this new knowledge they should be able to draw bigger crowds than ever this year. They should profit materially by the experience gained in the larger arena.

Canadian fairs seem small alongside the pretentious showmanship of large expositions such as the World of Tomorrow. Actually an exhibition like Toronto's C.N.E. attracts a much higher daily attendance while it is open than does the New York fair. In terms of consumer purchases and community influence its contribution is equally important.

Success or failure of individual exhibitors is usually measured in terms of showmanship. There are firms (and governments) which have spent thousands of dollars at New York and are getting mediocre results. Usually it is because of poor showmanship, lack of imagination, failure to gear their display to the tempo of the times.

Similarly in Canada.

Exhibitors who are content merely to put another coat of paint on the old booth and "let it go at that"; those who grumble because they "aren't getting the crowds"—usually have themselves to blame.

One feature of the New York show is that the display of products and sale of services are made secondary to the job of selling ideas, institutions, and industrial education. Millions of people stand in line to see and hear what modern showmanship can show and tell them about the Worlds of Today and Tomorrow. Only indirectly is any attempt made to influence their purchase of this or that product.

We live in a world teeming with new and exciting inventions, products, ways of doing things. The telling of this story requires modern showmanship.

The Country Weeklies

FEW city-bred people have a true appreciation of the importance of a weekly press. Yet, for more than a hundred years, remembering Wm. Lyon Mackenzie's Colonial Advocate and its contemporaries, the "weeklies" have played an impressive part in the affairs of this country.

With the advance of modern communication, some people, usually city folks, felt that a decline of rural press was inevitable. Yet never has it been in a stronger position than it is today. Never has it been in a position to exert more power and influence in public affairs. While its influence is mainly local, the weekly press collectively carries great weight provincially and nationally. The weekly newspaper is closer to its community than other publications. This close contact is something that is recognized by political and business leaders alike.

Rural weekly newspaper properties were never before so valuable or more ably conducted as business enterprises. If you doubt this, try to purchase a weekly in any good town, irrespective of size. Never have these papers been so ably edited, despite the arguments of old-timers who recall the fighting editors of the 90's and before.

One important factor contributing to this success is the Canadian Weekly Newspapers Association, managed and guided by Clarence V. Charters—himself a weekly publisher at Brampton, Ont. This body recently held its twentieth annual meeting at Niagara Falls. Nearly 400 editors attended the meeting and discussed their publishing problems and experiences with the aim of promoting higher standards of editorial and business practice. They elected for their new president H. T. Halliwell of Coleman, Alberta.

Through this association a stimulating, constructive, competitive spirit has been fostered which has done much to promote higher editorial standards. The association has now a dozen trophies for annual competition among various classes of membership. Oldest of these is the Mason trophy presented nearly a score of years ago by William Mason, publisher of the Sudbury Star. This trophy goes to the best all-round newspaper published in a town of 2,000 or more people. It was captured this year by the Penticton (B.C.) Herald. This paper also won the David Williams cup for the best editorial page of the larger-class weeklies.

The weeklies and their association can look back on 20 years of measured improvement. Granted the same high standards of editorial excellence they can look forward to even greater achievement and usefulness in the future.

Competitive Advantage of N. S.

IS THERE opportunity in the Maritime Provinces? Well, let us quote from an advertisement of the National Gypsum Company in the current issue of Fortune Magazine.

The advertisement is headed "The plant that came to New York by way of Nova Scotia..."

It reads, in part:

> "Even with the penalty of high freight from inland mills, National was shipping gypsum wallboard in huge quantities into the Metropolitan area. Then, why not wallboard facilities in the greatest building market?
>
> "Simply because National, though gaining momentum, had no desire without definite competitive advantages. Then, not long ago, the basis for these advantages was found. In far-off (sic!) Dingwall, Nova Scotia, were huge quantities of gypsum rock, of a grade ordinarily used only for the finest finish plasters. National investigated, bought the entire deposit, developed harbor facilities for ocean-going ships.
>
> "Here were eighty million tons of superior raw material—enough to last 400 years—ready to be shipped by water at new low costs to New York City. . . . . So today National announces preliminary plans for a wallboard addition to its New York gypsum plant."

"Definite competitive advantages." Nova Scotia had them in this case. And perhaps it is not too much to hope that the extraction of the gypsum may in time lead to the manufacture of the finished product, wallboard, within Nova Scotia. The province has 11 gypsum plants and they ship a million tons a year to elsewhere in Canada, to the United States and abroad.

It Pays to Advertise

COMPELLING and consistent advertising to bring people to Canada's National Exhibition at Toronto and to scores of fall fairs held throughout the country has been making its appearance. Because of it and because this advertising is backed by good product giving plenty of value-for-your-money, these fairs will attract large crowds, will operate for the most part without going too deeply into the "red."

The much-ballyhooed but excellent World's Fair at New York is now running into heavy financial weather. Attendance figures are a mere fraction of the exaggerated estimates and figures sponsored by a magniloquent publicity department. Drastic steps are now being taken to pull a really great show out of its financial and economic tailspin.

One major reason for the World's Fair plight is its failure to use paid advertising to boost its show and keep the turnstiles clicking. The Fair authorities thought they could get plenty of "free" publicity—and indeed they did, more perhaps than any similar enterprise ever received.

But behind the puffs, and the columns of "releases" and press notices, there has been no well-planned, consistent advertising campaign to sell and resell the fair's merits to the tens of millions of Americans who live within a few hundred miles of the fair and whose attendance—not once but scores of times—is essential to a satisfactory gate.

Whether you merchandise a world's fair or a corner lot parking space — it pays to advertise.

Municipal Tax Trend

A HEALTHY feature of municipal finance in Canada since 1934 has been the continued improvement in municipal tax collections. A recent bulletin of the Citizen's Research Bulletin shows a further upward trend in 1938.

The study of the Institute covers 246 urban and suburban municipalities with a combined population of 5,156,356 and a total current levy of $198.6 millions, for municipal and school purposes. It shows uncollected taxes for current and previous years amounted in 1938 to $72.8 millions or 36.7% of the current levy. The corresponding figure in 1937 was 39.5%; 42.7% in 1936; 48.8% in 1935; 50.7% in 1934; 51% in 1933 and 31% in 1930.

There are two reasons for this betterment. In the first place, there has been an improvement in business. Secondly, many municipalities have made greater efforts to collect outstanding taxes. In many instances the tax collection machinery has been modernized by the introduction of frequent installments and a system of prompt follow-up of taxes not met on due date. As the Citizen's Research bulletin points out, such efforts must be continued vigorously if municipalities in general are to reach the average record of 1930.

Ontario municipalities show a better record in regard to tax collections than those in other sections of the country. Tax arrears of Ontario municipalities with a population of over 10,000 amounted to 24.8% of the current levy at the end of 1938. The comparative figure for Quebec municipalities was 45.4%; for western Canada, 44.4%; and for the Maritimes, 36.4%.

Municipalities in western Canada with a population of between 2,000 and 10,000 report the most unsatisfactory position. Arrears in this population group amounted to 73.7% of the current levy at the end of 1938. Comparative figures for Ontario were 35.5%; for Quebec, 47.1%; and for the Maritimes, 54%. Though the western total should be considerably lower for 1939 it will probably require a year or two of good crops, plus careful supervisory efforts on the part of responsible officials to reduce this figure to reasonable proportions.

The McRae Type

TIMMINS DAILY PRESS tells the story of Kenneth McRae who at 16 is heading westward for a vacation. The holiday is being financed by his savings of $450 amassed in the past few years from paper route pocket money.

By working just a little harder than his fellows and by carefully saving his earnings he has accumulated more money than most people save in a life time. He is already reaping a reward in a trip which will afford him both pleasure and profit.

No country is more suitable than Canada to breed the McRae type of boy. No country offers them a better chance for success. We should be overrun with them.

If we were, there would be less talk of "relief" and the "dole" and "jobless youth."

The Canadian Editorial of the Week

More Wheat Surpluses

Regina Leader-Post

France was once a big importer of wheat and bought heavily from Canada. Now the country has more wheat than it knows what to do with. Last year the French Government subsidized wheat to the extent of nearly a dollar a bushel, which has cost the treasury nearly $200,000,000. The country had a big wheat crop and there is still a large surplus on hand. And another big crop is being harvested in 1939.

Factors like these are depressing the world price for wheat. The Argentine a few weeks ago had about 150,000,000 bushels of surplus wheat, due largely to a pegged price. In the old days Argentina would turn from wheat to cattle when the price of wheat went too low, but under a fixed price there was no need to turn to something else. The country kept on growing wheat.

Canada's wheat acreage is reported larger in 1939 than in 1938. Ontario has an increase in fall wheat this year, and a Toronto report says that if the farmers could be assured of a fixed price for wheat there would be an increase in acreage in 1940.

There is talk of increasing the wheat acreage in Quebec and it may be assumed that such an increase would take place under a fixed price that might show the Quebec farmer even a small profit.

All these things show the complexity of the wheat situation and must make it perfectly plain that a fixed price that is much above the open market price only leads to a worse ultimate situation. It means that countries will go on producing something that the market cannot absorb for the simple reason that wheat can be grown everywhere in the world.

The reality of the situation today seems to be that other uses have to be found for wheat or western Canadian farmers had better cease to look to wheat growing as the basis for their security. If we go on producing something the world does not want there is nothing that can save us from going from bad to worse.

Editorials in Brief

When Royalty travel in Australia they cannot enjoy the luxury of a Royal train. The reason is the variable width of railway track.

It's small comfort to find a railway problem somewhere in the world which Canada hasn't got.

* * *

On the verge of slumber one night last week we heard a stentorian radio announcer telling us it was 11.05 p.m., Bulova (B-U-L-O-V-A) time. In the next breath he urged us with seeming conviction to see our jeweller NOW about the new and noteworthy models of this well-known timepiece.

Twelve hours earlier this announcement might have caused us to drop everything and run to our nearest Bulova dealer. As it was, this particular piece of publicity sounded little short of silly.

Sayings of the Week . . . .

"It all depends on one man, Hitler."—*Earl Baldwin.*

* * *

"Democracy is a direction of development rather than a state."—*Lord Stamp.*

* * *

"Advertising must never promise what it cannot perform."—*Sir William Crawford.*

* * *

"It does not do to cherish resentment in public life."—*Rt. Hon. W. L. Mackenzie King.*

* * *

"The Scots are the last healthy racial influence in the British Isles."—*Nazi poet Will Vesper.*

* * *

"Hitler is a highly intelligent man, although he is a little bit crazy as we all are."—*Jules Bache.*

* * *

"Leadership is the opposite to dictatorship. A dictator denies men the right to refuse to follow him."—*Lord Lloyd.*

* * *

"We pass the laws we think we should pass in this province, and this is nobody's business but ours."—*Premier Duplessis.*

* * *

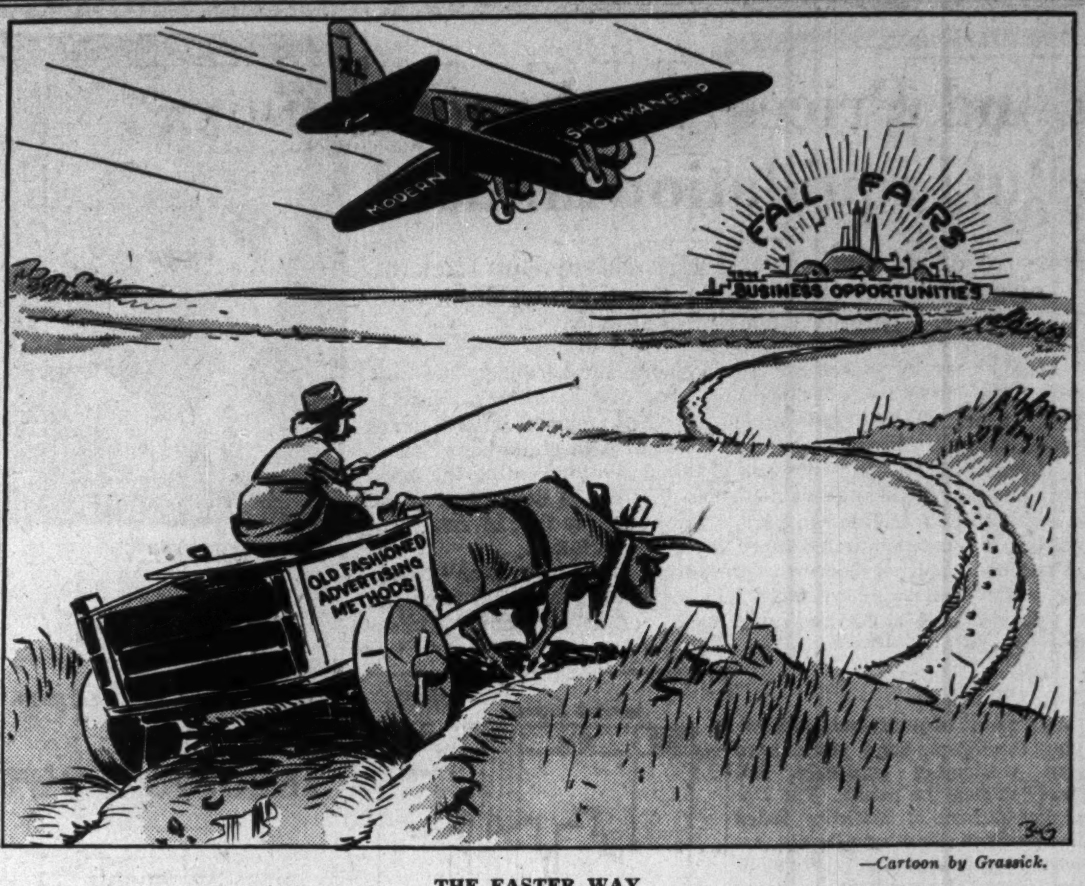
"We would make ten times the progress we have, if politics could be eliminated entirely from labor relations."—*Earl Baldwin.*

* * *

"There are too many doctors in politics. They have developed a smooth bedside manner that puts people to sleep."—*Jameson Bone, Mayor of Belleville.*

* * *

"The two great major parties, are, I believe, an essential part in the administration of public affairs under the British system of government."—*Rt. Hon. W. L. Mackenzie King.*



—Cartoon by Grassick.

THE FASTER WAY

Post-Scripts . . . .

Sugar and Banking

Huntly Redpath Drummond is the seventeenth president of the Bank of Montreal. Outside Montreal few Canadians know the man who has come to hold one of the most important positions in Canadian business. In fact, very few Montrealers know him, though the name "Drummond" is very familiar in Montreal, where the family has long been connected with the city's business and banking life.

H. R. DRUMMOND

A reference to Who's Who brings no enlightenment. The latest edition of that worthy book of reference does not even mention Mr. Drummond's name. Earlier issues devote a space of from one to two inches to tell of his career. The absence of detailed or lengthy material relating to Mr. Drummond's business or personal life is a good clue to his character. He is extremely modest. He does not care to see his picture or name in print. Above all he has no patience with a type of publicity known as "ballyhoo."

His education was received at Montreal High School and the famous English public school of Rugby. His first taste of business was as an apprentice clerk in the Bank of Montreal. From there he went into the coal business. But family considerations brought him into his father's sugar firm—Canada Sugar Refining Co.—which became his chief business activity.

In 1910, on his father's death, he became president of this company, which later was merged with the Canada and Dominion Sugar Co., of which he is now a director. He is also a director of the Canada Bag Co., and vice-president of the Royal Trust Co.

* * *

The Drummond family has been closely connected with sugar and banking for over 80 years. It was in 1854 that George A. Drummond (father of Huntly Drummond) emigrated to Canada from Edinburgh. He became manager of John Redpath & Son, sugar refiners in Montreal, and married Mr. Redpath's daughter, Helen. John Redpath was also a director and vice-president of the Bank of Montreal. Subsequently the family business was incorporated by George Drummond under the name Canada Sugar Refining Co. in the 1870's.

By way of further following in his father-in-law's footsteps, George Drummond (later a Senator, K. C. M. G. and C. V. O.) was elected a director of the Bank of Montreal in 1882. From 1905 till his death in 1910 he was president of the bank. His son, Huntly, was elected to the board in 1912 after his father's death. During the past 12 years he has served the bank as vice-president.

The long, distinguished service given by the Drummond family to community life of Montreal has been continued by Mr. Drummond in an unobtrusive manner. His interest in education finds reflection in the fact that he is one of the governors of McGill University. He is a governor on the board of the Alexandra Hospital and an officer of the Quebec Division of the Canadian Red Cross Society. He is also on the council of the Montreal Art Gallery. These are the outward signs of Mr. Drummond's interest in community affairs. The list could be extended greatly if he were not so reticent about his affairs.

* * *

One of the most interesting sides of Mr. Drummond's character is his keen interest in amateur athletics. His age is an official secret, but despite the fact that he has passed man's allotted span of three score years and ten, Mr. Drummond physically is the superior of many men 20 and even 30 years younger. And that is no "ballyhoo."

He is still an excellent horseman and skier. Mr. Drummond might well advance the claim to being the doyen of skiers in this country, for as far back as 1905 he won the Montreal ski-jumping championship. He also can claim to be a charter member of the Royal St. Lawrence Yacht Club, a long-time member of the Montreal Amateur Athletic Association, Montreal Hunt Club and Montreal Jockey Club.

* * *

"Joe" Copeman

When the stock market broke in 1928, "Joe" Copeman, one of the partners in the Montreal investment firm of Greenshields & Co., was on the train en route to Vancouver. It was not a very pleasant experience, for his first inclination was to get off the train and dash back to Montreal with the idea of "doing something." Then he realized there was nothing that he could do and continued on his journey.

The memory of that trip came back to Joe last week when again he started west for Vancouver. On the 1928 trip his interest was in meeting clients and the investment of their funds. This time his trip is half business and half pleasure. Upon reaching Vancouver he will link up with H. R. McMillan and one or two others who will make an inspection trip by air to the B. C. Packer's properties in northern British Columbia.

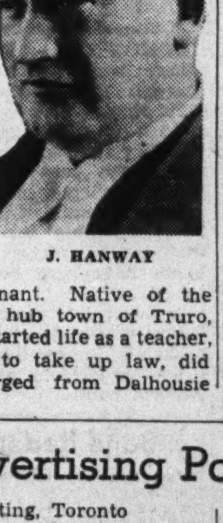
The programme is to fly by plane from Vancouver to Mill Bay on the Alaska-B.C. boundary. They will stop at many interesting points, where the company operates either stores or canneries. In this way Mr. Copeman, who was recently elected to the board of directors of B. C. Packers, will see for himself the extent of the company's operations, properties, and, at the same time, have an opportunity of meeting the men who serve the company in these out-of-the-way places. The trip will take them to many sections of the coastal country which are rarely, if ever, visited by white men.

It will be an interesting experience and when Mr. Copeman returns to Montreal he will have a better and more intimate knowledge of the affairs of B. C. Packers, and probably not a few stories to tell his friends.

* * *

Utilities Chief

If affable Jim Hanway, of Amherst, newly appointed chairman of the Nova Scotia Public Utilities Board, suddenly threw modesty aside and claimed he was the best known barrister in the Maritimes there would be few to dispute him.



J. HANWAY

Since his admission to the Bar of Nova Scotia in 1909, J. A. Hanway, K. C., has enjoyed a career in which law, politics and sport have been predominant. Native of the Nova Scotian hub town of Truro, Jim Hanway started life as a teacher, felt the urge to take up law, did so, and emerged from Dalhousie University a full-fledged lawyer.

He has been a prominent lawyer in Amherst since 1909, when he entered partnership with Senator Hance J. Logan and Col. J. L. Ralston. Later the firm of Ralston and Hanway was established and when Col. Ralston left Amherst, Jim Hanway continued the practice alone.

* * *

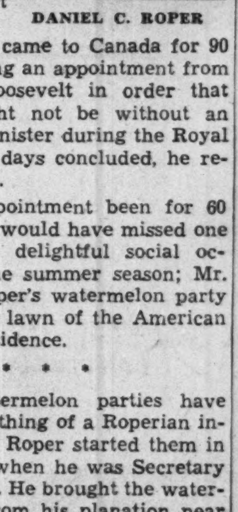
Central figure in many fiery sport disputes as president of the Maritime Hockey League in the days of the Big Four, and legislator in track, field and football controversies, he has a host of friends among the sporting fraternity. The many provincial towns he has visited in connection with his sporting activities he will revisit now as chief of the roving utilities commission.

Mr. Hanway was chairman of the Royal Commission, which, in 1936-37, investigated operation of the Workmen's Compensation Act in Nova Scotia and was provincial government counsel in the enquiry into the Moose River Mine tragedy of 1936. In the general elections of 1930 he was unsuccessful Liberal candidate for a House of Commons seat in Cumberland county.

* * *

Back to the U. S.

Canada has lost one of the most interesting members of its diplomatic corps. Hon. Daniel C. Roper, United States Minister to Canada, has gone back to his home in South Carolina before more than a handful of Canadians have had an opportunity to experience his Southern graciousness and to appreciate his abundant sagacity.



DANIEL C. ROPER

Mr. Roper came to Canada for 90 days accepting an appointment from President Roosevelt in order that Canada might not be without an American minister during the Royal visit. His 90 days concluded, he returned home.

Had his apointment been for 60 days Ottawa would have missed one of the most delightful social occasions of the summer season; Mr. and Mrs. Roper's watermelon party on the green lawn of the American Legation Residence.

* * *

These watermelon parties have become something of a Roperian institution. Mr. Roper started them in Washington when he was Secretary of Commerce. He brought the watermelons up from his planation near Charleston and invited the Cabinet ministers, Supreme Court justices, diplomats, army and navy chiefs, White House correspondents and others to sample them. This year he was in Canada when the watermelons ripened so he held the party in Ottawa in giving Canadian judges, ministers, deputy ministers, senators and M.P.'s a chance to sample them.

Each guest inscribed his name in the Roper party book. We glanced through the book. It contains the signatures of nearly all the distinguished people who have been in Washington in recent years. Now it contains many Canadian names as well.

Advertising Pays Dividends

Marketing, Toronto

Nearly 50% of 67 Canadian industrial companies, listed by The Financial Post as having paid dividends regularly during the past ten years, have with equal regularity advertised to the consumer during that period. Some of these corporations, such as Imperial Oil, Canadian Industries Limited, Canadian Canners and Imperial Tobacco, rank with the largest and most aggressive of Canadian national advertisers. Others, while advertising on a more restricted scale, have maintained consumer advertising through good years and bad. Of the remaining firms on the list, while they make no direct advertising appeal to the consumer, many do make considerable appropriations for advertising in trade newspapers and other media.

The Post rightly credits the dividend-paying records of these companies to "good management." It is significant that so many of them have been consistent and able advertisers to the consumer, justifying the assumption that good management and good advertising often go hand in hand. An editorial comment, directed to investors, observes that some of the finest dividend achievements have been made by the food stocks, and adds: "People must eat and drink even though their purchases of almost everything else come to a halt." It has frequently been argued that products which must be bought need little, if any, advertising stimulus. Study of this list indicates that food manufacturers and distributors are among the largest buyers of advertising space and the most consistent users of more advertising media than any other group. It is obvious that use of printed and spoken word as a dividend producer is a vitally important constituent of "good management."

In the Mail . . .

National Government Poll

Editor, The Financial Post:

It is evident that the strength of the three political parties (Liberal, Conservatives and C.C.F.) will be tested at the polls in the near future.

Why not let the people of Canada who advocated a National Government also express their views on this occasion, by the use of their franchise—irrespective of old party affiliations.

Neither of the two old parties will attempt to solve the major problems that are leading our country into bankruptcy. Their policy in regard to the Canadian National Railways is sufficient proof of this. A National Government can more effectually grapple with our many problems, and will also eliminate the possibilities of a stalemate government, which is looming largely on the political horizon.

J. L. McDONALD,
River Hebert, N.S.

Free Currency

Editor, The Financial Post:

Notwithstanding your programme it seems to a humble student of Economics and Politics like myself that there is only one possible remedy at any time and that is the old one (in domestic affairs) of letting nature take its course. The only obstacle of a fundamental character to freedom of exchange is the control or cornering of currency.

Currency being the agreed-upon commodity by and through which all our business transactions transpire it follows, does it not, that currency must, like other commodities, be free to circulate? Therein in my humble opinion lies the only remedy possible and the one effective remedy.

J. H. BURNHAM,
Peterborough, Ont.

As Others See Us . . . . .

The Speech That Failed

Charlottetown Guardian

The Financial Post (Independent) devotes a front page editorial to the weakness of leadership at Ottawa as exhibited by Prime Minister Mackenzie King's banquet speech in Toronto.

The Toronto paper expresses regret that Mr. King did not take advantage of this timely occasion "for some very plain speaking on the great political issues of the day." "No leader," it concludes, "is worthy of being entrusted with national party leadership who does not understand and hold to the high principles enunciated by Mr. King during his speech. But no leader can give wise and practical direction to the nation's business who does not at the same time apply these principles in a positive and constructive manner."

Money Out of the Window

Paul Riverin, Le Jour

The hole on Dorchester Street where millions are being sunk will not give us a union station which we need. While we see slowly growing the structure of the famous central C.N.R. station, at the bottom of the well-named "hole" on Dorchester Street which has cost millions, our readers will read with interest, in The Financial Post, an impartial and objective analysis of this undertaking, which will mean a cost of at least $12,000,000 to the Canadian taxpayers, without any resulting benefit.

In so many words, common sense, the public interest, economic wisdom, and the precarious situation of the railways demand that the union station be created at Windsor Station, and not in the hole. The C. P. R. has made its offer. It has given all the details of its plan. It has on its side the opinion of experts of unquestionable authority and complete honesty. The other side simply refuses to listen.

Why this refusal? That is the dark secret.

In addition, if we do spend the $12,000,000 in the hole, this will forever block the realization of the indispensable project of a union station, and, at the same time, will prevent the co-operation in services on which the railways count to make important economies. In short, someone is mocking the people and chucking money out of the window.

Can the Party System Do It?

Huntsville Forester

The Financial Post does not see a solution of Canada's national problems through the formation of a Union Government. Our problems, The Post declares, are not foreign, but domestic, and as such, are capable of solution through our present party set-up, provided capable leadership is given.

The two outstanding problems remaining unsolved are declared to be the railway mess and the disturbed relationship between the Dominion and the provincial governments. These are major problems, and call for fearless and capable leadership.

The Post has little confidence in the ability of either Premier King or Dr. Manion to grapple with these matters. But it does not see a solution any nearer through the formation of a Union Government.

If the party system in its present form is to be perpetuated as The Post appears to think desirable, from whence is to come the leadership with the qualities of courage and capacity necessary to do what The Post demands shall be done? If, within the present parties men are to be found with a plus margin over present leaders, of the qualities needed to meet the situation, The Post will require to say in what manner this new leadership is to be requisitioned. Dr. Manion is the recent choice of the Conservatives, and Mr. King will never be ousted from the leadership of his own party, so long as he desires to retain the post.

One cannot visualize the possibility of any party developing characteristics materially different from those which dominate the present party organizations. A combination of strength, with the acquisition of courage and determination thus made possible, should arouse favorable public interest.

Stop Me If . . . .

Magistrate: "You are a danger to pedestrians. You will not be allowed to drive for two years."

Defendant: "But, sir, my living depends on it."

Magistrate: "So does theirs!"

Week in Business

Business Holds Well Despite War Clouds

Uncertainty Is Main Obstacle as Actual Outbreak Likely to Give Impetus to Industry — July Exports Show Gain

Developments in Europe have again cast a shadow over the general business situation. While it is realized that a war, if it did come, would give an impetus to various lines of Canadian industry, the feeling of uncertainty as to just what is going to happen tends to delay action. Especially is this the case as regards purchases of luxury goods and non-essentials.

On the other hand, it will be recalled that in the last war, once Canada settled down to supplying war materials, industry generally experienced a substantial degree of prosperity. This time, Canada, with a number of factories already in production, is much better prepared to meet the demand for war equipment and materials. Right from the start she would be able to supply munitions in a way that she never dreamed of in 1914.

* * * *

Meanwhile the actual volume of Canadian business has been well maintained. The Financial Post Business Index for July shows a further rise, to 119.8 from 118.8 in June and 110.1 last year. Among the important factors has been an increase in our exports, the value of which in July rose to $90.7 millions compared with $66.9 millions in July, 1938. While $14 millions of the total gain of $24 millions was due to exports of non-monetary gold, the increase of $10 millions in exports of general produce amounted to a satisfactory gain of 15% over 1938. Steel production has also been higher and carloadings have been holding above last year's level.

Harvesting of the western crop continues and yields in many areas are better than expected recently. The recent rise in prices indicates that if war comes, Canada would probably receive a greatly enhanced price for her wheat.

* * * *

In the United States the business recovery has been fairly well maintained. Reports indicate that there is a steady improvement in the heavy industries which have been lagging. Steel production has been increasing, reaching the highest operating ratio since November, 1938. Armament demand is expected to keep airplane and various steel industries busy for some months whether war comes or not. Machine tool orders are reported to be increasing and preparation for the manufacture of the new 1940 automobiles in volume is expected to give further impetus to the steel industry. Electric power has been expanding and carloadings have been running well ahead of last year. Labor troubles still hover in the offing, with the possibility of further complications in the automotive industry. In the United States as in Canada, it is felt war would give an impetus to business. Even if that country were not drawn in, United States goods would find their way to the belligerents despite any neutrality legislation.

Business Indicators

Current business active, with The Financial Post Business Index for July, above previous month and a year ago. D. B. S. weekly index for week ended Aug. 12 up fractionally from previous week and unchanged from 1938.

Living costs on July 1 slightly lower than year ago.

Carloadings for week ended Aug. 12, slightly above 1938. Total for year to date down 0.7%.

Railway earnings for second week of August above 1938 for both roads. Totals for year to date up 6.5% and 1.6% for C. N. R. and C. P.R. respectively.

Iron and steel production in July higher than year to date. Cumulatives for seven monthrs down 21.8% and 8.3% respectively.

Automotive production in July lower in passenger cars, higher in trucks. Cumulatives for seven months down 7.7% and 6% respectively.

Automobile exports higher in July. Cumulative for seven months down 0.3%.

Automobile financing lower for both new and used cars in July and seven months.

Total exports in July higher than year ago. Total for seven months up 13%.

Lumber exports in July above 1938. Total for seven months up 20.9%.

Trend of business shown by The Financial Post Business Index and following key factors, new items for the week being marked thus ▲.

	Aug. 12	Aug. 5	July 28	July 22	Aug. 13/38
Commodity prices	72.1	72.3	72.1	72.5	76.6
Weekly index	108.5	108.3	108.0	108.3	108.5
	July	June	May	Apr.	Year Ago
Financial Post index	▲■119.8	118.8	116.3	113.2	109.0
Retail index no. of sales	....	85.1	80.8	79.0	82.8
Dept. store "	....	72.0	75.2	75.7	74.4
Wholesale "	....	99.1	101.4	87.1	100.1
Country (% change fr. last yr.)	....	—7.7	—2.8	—12.6	....
Employment D.B.S. Index—					
	July 1	June 1	May 1	Apr. 1	Year Ago
All industries	....	113.1	106.2	104.9	111.9
Manufacturing	....	111.4	108.4	107.1	112.3
Wage earners, No. (000)	....	....	....	2,186	2,163
Living costs♦	▲$16.93	$16.92	$17.02	$17.04	$17.45
			Jan. 1 to date		%
Railways—	1939	1938	1939	1938	Change
Carloadings, week (Aug. 12)	▲44,054	43,561	1,388,660	1,398,486	—0.7
C.N.R. gross, week (Aug. 14) $	▲3,496,774	3,263,616	110,147,517	103,414,800	+6.3
C.P.R. gross, week (Aug. 14) $	▲2,624,000	2,458,000	78,703,000	77,389,000	+1.6
C.P.R. net revenue (June) $	1,063,318	511,408	5,351,343	2,681,028	+99.7
C.N.R. net revenue (June) $	•12,095	•770,582	•505,417	•5,679,932	.....
Iron and Steel (July)—					
Pig iron production (tons)	▲59,587	51,238	356,108	455,396	—21.8
Steel ingots and castings prod. (tons)	▲111,149	83,927	691,290	754,267	—8.3
Automobiles (Number)—					
Passenger Cars:					
Domestic sales* (June)	8,610	9,197	54,408	60,825	—10.5
Factory output (July)	▲5,112	5,273	75,080	81,375	—7.7
Trucks and Buses:					
Domestic sales* (June)	2,335	2,386	13,488	15,570	—13.4
Factory output (July)	▲4,023	3,724	27,810	29,790	—6.0
Exports (July)	▲4,840	4,760	39,610	39,731	—0.3
Financing (July):					
Used $	▲3,669,707	3,748,860	21,709,955	23,452,665	—7.4
New $	▲2,391,448	2,719,524	17,846,861	22,945,114	—22.2
Construction—					
Contracts awarded (July) $	22,129,700	21,158,200	105,575,600	101,810,200	+3.7
Cement, bbls (May)	550,890	545,710	1,267,776	1,418,414	—10.6
Agriculture—					
Flour prod., bbls. (June)	1,187,875	969,207	6,822,351	5,511,129	+23.7
Flour exp., bbls. (July)	403,377	282,985	2,626,675	1,934,316	+35.7
Wheat exp., bus. (July)	13,780,554	7,248,115	65,094,021	33,031,978	+97.6
Cattle sales (July)	61,220	64,127	397,686	387,976	+2.5
Hog sales (July)	42,144	43,619	358,138	409,863	—12.6
Sea Fisheries: (June)‡					
Catch, cwts.	968,490	871,660	3,847,520	3,144,290	+22.3
Landed value	2,235,320	2,144,340	6,024,280	6,118,210	—1.5
Newsprint (tons)—					
Production (July)	227,630	202,546	1,568,694	1,462,417	+7.2
Exports (June)	244,655	194,520	1,215,118	1,103,286	+10.1
Mining and Oils—					
Coal prod., tons (June)	1,070,984	930,971	6,762,325	6,914,109	—2.2
Coal imports, tons (June)	1,371,651	1,617,744	3,865,946	4,977,731	—24.3
Gold prod., fine oz. (May)	432,359	381,089	2,055,662	1,827,475	+11.9
Nickel prod., lb (May)	21,595,362	18,620,908	90,046,906	92,667,972	—2.8
Copper prod., lb. (May)	55,364,021	48,429,331	246,654,672	243,558,959	+1.2
Crude oil prod., bbls (May)	713,450	566,086	2,544,472	2,381,771	+6.8
Crude oil imp., bbls. (June)	4,437,800	3,931,500	14,191,314	13,451,208	+5.5
Electric Power Output (June)—					
Total monthly m.k.w.†	2,245,329	1,973,155	13,743,003	12,718,377	+8.0
Foreign Trade—					
Imports (June) $	63,709,402	58,946,698	321,079,319	336,692,235	—4.6
Exports (July) $	▲91,727,627	78,719,799	558,989,882	494,399,446	+13.0
Other Industrial Factors—					
Dressed lumber exp.:					
M. bd. ft. (July)	▲185,096	165,910	1,114,,950	922,002	+20.9
Shoes, prod., pr. (June)	1,850,673	1,714,770	11,249,771	10,946,853	+2.7
Cotton imports, lb. (June)	15,309,000	9,546,000	53,564,000	64,106,000	—16.4
Raw rubber imp., lb. (June)	5,427,972	7,264,000	30,625,375	25,345,374	+20.8
Cigarette cons. (June) No.†	657,890	631,524	3,293,214	3,231,858	+1.9
Sugar manufactured, lb.§	85,837,830	86,266,450	387,788,743	370,140,908	+4.7
Finance—					
Bank debits (June)†	2,831,082	2,730,578	15,133,304	14,585,069	+3.7
Bond sales (July) $	71,449,665	98,451,124	867,519,926	725,553,361	+19.5
Life insurance (June) $	35,766,000	35,120,000	192,543,000	190,049,000	+1.25

*D.B.S. All-Canada figure comprising over 90% of the Canadian total.
†000's omitted. §For four weeks to July 15, 1939.
‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C.
♦For average family per week, food, fuel, rent. ■Preliminary. •Deficit.

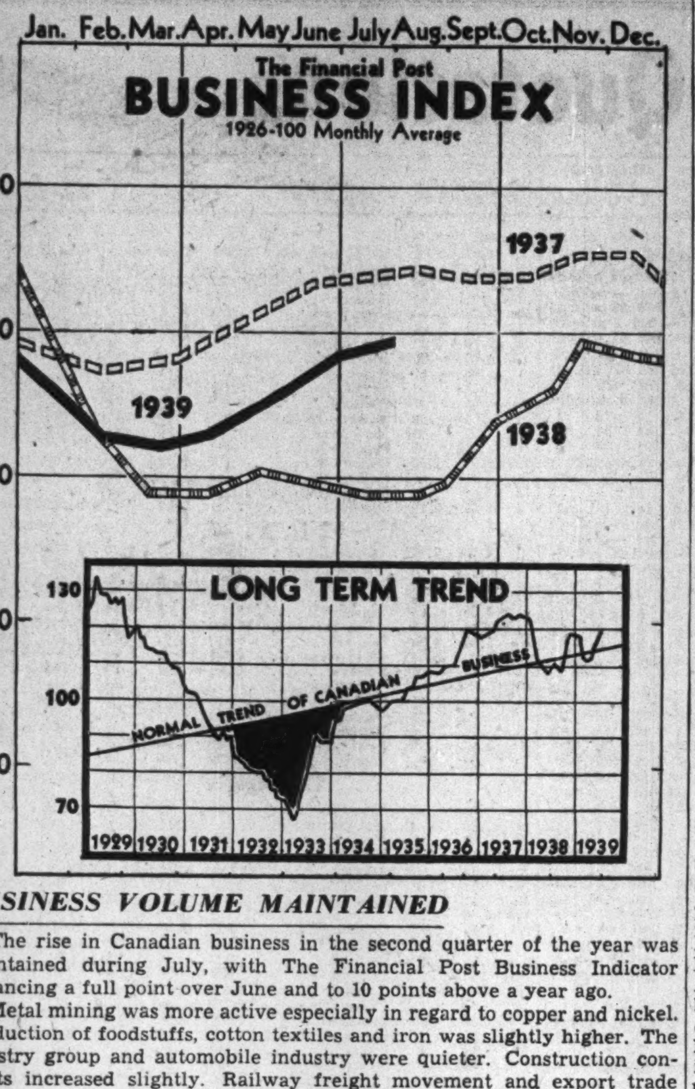
ONLY PRODUCER OF STEEL AND STEEL PRODUCTS IN CANADA
WHOLLY SELF-SUSTAINED WITHIN THE EMPIRE

STEEL and STEEL PRODUCTS

Reinforcing Steel, Merchant Bars, Angles, Channels, Shaftings, Forgings, Sections, Shapes, Reinforcing Mesh, Bale Ties, Barbed Wire, Wire — Plain, Galvanized, Tinned, Annealed, Chain Link Fencing and Gates — "Security Brand", etc., etc.

DOSCO

DOMINION STEEL & COAL CORPORATION LIMITED
Executive and Sales Offices: Canada Cement Bldg., Montreal
Warehouses and Sales Offices across Canada



BUSINESS VOLUME MAINTAINED

The rise in Canadian business in the second quarter of the year was maintained during July, with The Financial Post Business Indicator advancing a full point over June and to 10 points above a year ago.

Metal mining was more active especially in regard to copper and nickel. Production of foodstuffs, cotton textiles and iron was slightly higher. The forestry group and automobile industry were quieter. Construction contracts increased slightly. Railway freight movement and export trade made a good showing during the month.

MAJOR ECONOMIC FACTORS

		July 1939	July 1938	Change 1938 %	June 1939
F. P. Business Index*		119.8	109.0	+ 9.9	118.8
Common stocks*		97.3	106.9	— 9.0	97.0
Wholesale prices*		72.6	78.6	— 7.6	73.3
Capitalized bond yields*		166.4	159.5	+ 4.3	166.4
Bank deposits*		125.6	121.8	+ 3.1	124.8
Copper exports	cwt.	469,353	472,184	— 0.6	422,315
Nickel exports	cwt.	172,757	145,765	+ 18.5	159,800
Zinc exports	cwt.	340,735	273,806	+ 24.4	332,220
Asbestos exports	tons	41,450	14,170	+192.5	23,844
Sugar manufactured	lb.	85,837,830	86,266,450	— 0.5	94,105,028
Cheese, factory production	lb.	22,420,898	21,200,573	+ 5.8	22,177,287
Butter, creamery production	lb.	38,100,982	38,782,003	— 1.8	41,186,717
Newsprint production	tons	227,630	202,546	+ 12.4	240,545
Planks and boards exported	M. ft.	185,096	165,910	+ 11.6	205,851
Shingles exported	squares	303,741	318,270	— 4.6	269,431
Steel ingots production	tons	111,149	83,927	+ 32.4	107,902
Pig iron production	tons	59,587	51,238	+ 16.3	52,805
Automobiles production	no.	9,135	9,007	+ 1.4	14,515
Carloadings	no.	196,392	182,643	+ 7.5	194,522
Contracts awarded	$	22,129,700	21,158,200	+ 4.6	25,196,300
Building permits	$	6,535,813	6,114,843	+ 6.9	7,832,242
Exports	$	91,228,664	78,719,799	+ 15.9	94,501,380

* 1926=100.

Keeping Posted

Veteran Business Commentator Shares His Wide Reading With Businessmen

By J. C. KIRKWOOD

J. C. KIRKWOOD

Canada has a number of ace radio announcers—but not too many. A goodly number of announcers were put through the fanning mill prior to the Royal Visit in a purpose to find the very best of the lot. A good deal more than a pleasant voice is needed in an announcer. Thus, a quick wit, promptitude of decision and action, cool judgment and felicity in diction, are additional requirements; perhaps, also, physical ability, not to say courage, for sometimes the announcer has to make his broadcast from very difficult, even perilous, positions.

How the men were chosen for the arduous, important and trying task of broadcasting the Royal Visit and tour is told admirably by Charles Bothwell in the Aug. 15 issue of Maclean's Magazine. This article illuminates brilliantly the technique of broadcasting and announcing, and a reading of it by every radio listener is recommended, not alone for its sheer interest, but also for its picturing of what is involved in acquiring announcing proficiency.

Of the thirteen men chosen to broadcast the Royal Tour, the youngest was 23, the oldest 33; four had university training; one was of English birth, one was born in U.S.A., and the others in Canada; a few had newspaper experience; and eight have mustaches. Any young man with an ambition to become a radio announcer will find Mr. Bothwell's "The Voice You Heard" a sort of introductory textbook to the new profession.

* * *

Public Relations

Harold Fisk, of Harold Fisk & Company, Montreal, specializes in that phase of advertising known as Public Relations—which, like radio announcing, may be called a new vocation. But schools which give instruction in advertising do not, so far, teach public relations, and the books on this subject are fewer than the fingers on one's hand.

Mr. Fisk tells me that he wrote to the schools of business administration associated with a number of universities in the United States asking for information and advice regarding Public Relations training and that all of them sent him the same reply, namely, that although they realize that public relations work now forms a very important phase of modern business, they have not as yet set up any permanent course covering this work.

Business principles, and men interested in public relations as an occupation, will find the following books of value:

"Profitable Public Relations," by Bronson Batchelor (Harper).

"A Reference Guide to the Study of Public Opinion," by Harwood I. Childs (Princeton University Press).

"Business Finds Its Voice," by S. H. Walker (Harper).

"Public Relations for Business," by Milton Wright (McGraw-Hill).

The subject of public relations will have presentation at the forthcoming convention of the Financial Advertising Association (an international organization) to be held in Toronto Sept. 11-14. The members of this association are the public relations managers of their respective companies.

* * *

Motor Magnates

You can't keep a good man down. The origin of this trite remark is credited to the whale that swallowed Jonah. The saying came back to memory as I read a paragraph in Canadian Automotive Trade for August which told of an old-timers' reunion held at Flint, Michigan, early in this month of August. Several of the prominent men present were associated with the old Durant-Dort Carriage Company. These men were too dynamic to stay put: they wanted to be top men on their own account. Thus, C. W. Nash, a former president of Durant-Dort, ultimately organized the Nash Motor Company. W. C. Durant headed Durant, then General Motors, later a new Durant company. John D. Mansfield was once associated with the Dort Motor Car Company, subsequently coming to Canada to be connected in a big way with the Maxwell-Chalmers Company, the predecessor of the present Chrysler Corporation of Canada.

* * *

Hardware Trade Wins

Electrical specialty shops tend to grow fewer, in both Canada and the United States—which fact should be instructive to men who may be contemplating setting up for themselves in this class of business; also to the credit managers of manufacturers of electrical appliances. Here's what I read in Hardware and Metal of Aug. 5:

> Many appliance dealers are going out of business, and many salesmen are deserting the field of appliance selling. There has been a steady shift of the electrical business away from the specialty shop to the more virile and merchandising-minded hardware trade. In Canada, with its smaller and more sparsely settled population, the drift away from electrical specialty shops has been even more pronounced because it has been accelerated by economic considerations. Today, with prices on electrical appliances and radios reduced through volume production and distribution, the hardwareman is well out in front among merchandisers of this line.

* * *

Planes Use Paints

If you have acquired the opinion that the modern airplane is an all-metal product, then it may surprise you when you are told that quite 50% of the planes being produced in the United States and other countries are covered with linen or cotton fabric and are treated with the well-known "dopes" and protective cellulose finishes. Most military training aircraft are fabric covered; so, too, are many of the lower-priced commercial and sport planes.

As many as 10 coats of dope may be applied to commercial planes in order to build up a coating of exceptionally good appearance. On military planes the weight of the coating must not exceed a specified figure, usually 3½ oz. per square yard of surface, and in contrast to the high gloss on private and commercial jobs, there is an increasing tendency to use a matt finish on army planes, particularly on those intended for night flying.

The article in the July issue of Canadian Paint and Varnish Magazine by C. Y. Hopkins, of the Paint and Varnish Laboratory, National Research Council, Ottawa, abounds in interesting information about certain phases of airplane construction—about coverings and light metal alloys.

Building Attains Eight-Year High

Canadian Urban Construction Volume Best Since 1931

Paralleling improved construction activity in the United States, buildings in Canada's urban centres during the first seven months of the year attained best volume since 1931.

Building permits issued in 58 Canadian cities had a total value of $33,647,625, showing an increase of approximately 5% over the January-July period of 1938. The total is the highest for the period since the seven-month figure of $69.9 millions in 1931. In leading United States cities in the first seven months of this year, building permits also totalled the highest since 1931, reflecting an increase of 8% over last year.

Lag Persists

Despite the gain in Canada in the year to date, the total is still substantially lower than the seven-month figure of any of the years 1920-31 inclusive and less than half of January-July average ($67.4 millions) for the past 19 years. Urban building so far in 1939 is only 34.5% of the figure for 1926, the statistical standard year.

During July, 1939, permits issued in the 58 cities amounted to $6,535,813, an increase of about 7% over July, 1938. Increases were reported for all provinces but Manitoba and British Columbia, the decline in the latter province amounting to 45.5%. Among the provinces with gains, the best showing was Quebec's increase of 87%. Of the four largest cities, Montreal and Toronto reported gains in July over last year, while Winnipeg and Vancouver suffered declines.

Canadian Cotton Factories More Active Than in 1938

From Our Own Correspondent

MONTREAL. — Activity in the Canadian cotton industry was somewhat lower during July, following three consecutive monthly increases, although the monthly total was again above the corresponding period a year ago.

Raw cotton consumption in July amounted to 20,289 gross bales. This compares with 21,299 bales in June and 15,226 bales for July, 1938.

Consumption for the first seven months totals 124,536 bales compared with 126,127 bales in the same 1938 period and 169,364 bales for the first seven months of 1937.

N.B. Supports Fish Venture

Gives Financial Backing to $200,000 Processing Plant

From Our Own Correspondent

MONTREAL. — New Brunswick will have a fish processing plant capable of a daily output of more than 50,000 lb. of frozen cod fillet, according to an announcement by Premier A. A. Dysart, who stated that construction of the plant would be commenced in Caraquet before the end of the month.

The factory is being established through an agreement between the province and Gordon Pew (New Brunswick) Ltd., subsidiary of the Gordon Pew fish interests of Gloucester, Mass. It will cost about $200,000, of which the province has guaranteed three quarters up to a maximum guarantee of $150,000.

Equity in the plant will be acquired by the company over a period of years upon the fulfillment of an annual undertaking to process a minimum of 9 million pounds of cod.

In addition to the freezing and storage plant, the company will provide fileting equipment and, in connection with this, will erect smoke houses, drying flakes, cannery, laboratory and other units of a subsidiary character.

Although the agreement with the company provides only for the processing of cod, it is the company's intention to interest itself in other fishery resources including scallops, oysters, smelts and lobsters, and also to undertake the freezing and canning of small fruits and vegetables for foreign markets.

The Government also expects the company to proceed on its own initiative with units elsewhere than in Caraquet when its organization in New Brunswick is developed and the opportunities become apparent.

Montreal to New York Air Traffic Increases

MONTREAL.—Passenger aircraft business between Montreal and New York has recorded a substantial increase this year. During July Canadian Colonial Airways report carrying 1,648 paid passengers, against 526 on this run in the same month in 1938.

For the first seven months of this year, 6,001 paid passengers were carried, in comparison with 1,633 for the same period of 1938, according to Sigmund Janas, president.

Changing Conditions

Conditions in the field of investment meet with frequent changes. The resources of our organization for securing authoritative information upon investment subjects are available to any of our clients.

Inquiries may be made to our nearest Branch

A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO
Montreal Winnipeg Vancouver Victoria New York London, Eng.

Invest by Mail

You can discuss your investment problems with us satisfactorily by mail. Many of our clients deal with us exclusively in this manner. Write us today for a list of offerings or for information concerning your present holdings.

McLEOD, YOUNG, WEIR & Co.
LIMITED
Metropolitan Building, Toronto
Telephone: Elgin 0161
Ottawa Montreal London Hamilton
Correspondents in New York and London, Eng.

The WESTERN SAVINGS and LOAN ASSOCIATION
HEAD OFFICE: WINNIPEG, MANITOBA

OFFICES:
Agency Building - - - - - - Edmonton, Alta.
221A 8th Ave. W. - - - - - - Calgary, Alta.
McCallum-Hill Building - - - - - Regina, Sask.
411 Avenue Building - - - - - Saskatoon, Sask.

If you had a Million

WE ALL LIKE to dream about what we'd do if we had a million dollars.

But suppose you really *had* a million dollars. How would you safeguard it, over the years, for yourself and your family to enjoy?

In short, knowing that there is no such thing as an absolutely "riskless" investment, how would you invest this million dollars with safety to provide a satisfactory return?

We think you'd try to do just what a life insurance company does. Among other things, you'd try to follow, as far as possible, the wise principle of diversification. You'd "put your eggs in *many* baskets."

Unfortunately, even with a million "eggs," the chances are you couldn't follow this principle far enough—nor would you find it easy to investigate properly the many relatively small investments you would have to make.

But a life insurance company like Metropolitan, holding many millions of dollars for the benefit of its policyholders, *can*, and *does*, do everything possible to help safeguard its investments . . .

To begin with, in selecting the avenues of investment which lie open to it within the limits established by law, Metropolitan compiles a mass of financial and economic information . . . then weighs it, thoroughly. The placing of every dollar is carefully checked by a staff of investment specialists, each an expert in his particular field. And each investment, after it has been added to Metropolitan's portfolio, is subject to constant study and analysis.

Because the interest this money earns has a very direct bearing on the cost of life insurance to the policyholders, it is important not only that these funds be invested conservatively, but also that they bring in a reasonable interest income . . . thus holding down the cost of insurance.

Finally, with so many dollars to invest, the company can take full advantage of the safety that lies in diversification. Thus, the dollars which Metropolitan invests are spread over many different types of sound investments, and in practically every section of the country.

At the end of 1938, Metropolitan held more than 100,000 carefully selected, diversified investments . . . reassuring evidence that the company makes every effort to achieve maximum safety for the funds it invests for the benefit of its policyholders and their beneficiaries.

This is Number 16 in a series of advertisements designed to give the public a clearer understanding of how a life insurance company operates. Copies of preceding advertisements will be mailed upon request.

Metropolitan Life Insurance Company
(A MUTUAL COMPANY)
NEW YORK

Frederick H. Ecker, CHAIRMAN OF THE BOARD
Leroy A. Lincoln, PRESIDENT

CANADIAN HEAD OFFICE
OTTAWA

The Week's Quotations

Toronto and Montreal Exchange

The following table is confined to official prices for listed stocks, including curb market quotations. Where no transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING AUGUST 21

Range 1939 High	Low	Div R'te $	Aug19 Y'ld %		Sales	Last Aug. 14	Week end. Aug. 21 H	L	Cl'se
				A					
2.87	.50	.	...	Abitibi	6945	.90	1.05	.70	.70
21¼	3½	.	...	Do. pref. 6%	2360	5	6½	4¼	4¼
21	4½	.	...	Do. pref. 7%	....	(4½ bid — asked)			
4½	3½	30c	7	Acadia Sugar	....	(4½ bid — asked)			
5¾	5½	30c	5.2	Do. pref.	....	(4¾ bid 5½ asked)			
5	3	.	...	Acme Glove	....	(2 bid 3 asked)			
*82	60	.	...	Do. pref.	....	(— bid 65 asked)			
10½	9½	60+20c	8	Agnew Surp.	50	10	9¾	9¾	9¾
111	104	7	6.4	Do. pref.	10	110	109½	109½	109½
3½	1½	.	...	Alta. Pac. Gr.	20	2½	2½	2½	2½
24	13	.	...	Do. pref.	20	21	20	20	20
14½	6¾	.	...	Algoma Steel	100	10½	10½	10	10
74	51	.	...	Do. pref.	....	(72 bid 74½ asked)			
140	112	25c+10%		Aluminum	295	124	124	114	114
112½	111½	6	5.4	Do. pref.	....	110½ bid 112½ asked			
2.50	.80	.	...	Amal. Electric	250	1.00	1.00	.80	.80
30	29	.	...	Do. pref.	....	(— bid 28½ asked)			
22½	22½	60c	2.7	Amer. Cyn. B.	....	(— bid — asked)			
50	47	2.75	5.7	Ang. Can. Tel. p	155	48½	48½	48½	48½
26½	19	60+30c	4.4	Asbestos	2346	22½	23½	20¾	20¾
17	14½	80+45c	7.3	Assoc. Brew.	150	16¾	17	16½	16½
115	109¾	7	6.2	Do. pref.	5	115	112½	112½	112½
*6½	6½		...	Assoc. T. & T.A.	....	(— bid — asked)			
31	29	1.26	...	Do. pref.	....	(— bid 30 asked)			
102	100¾	5.50	5.5	Ault & Wiborg.	3	100¾	100¾	100¾	100¾
				B					
168	162	8	4.8	Bk. Can. Nat.	6	167½	166	166	166
222	203	8	3.7	Bk. Montreal	258	215	215	212	214
310	300	12	3.9	Bk. N. Scotia	55	301	303	300	301
255	239	10	3.9	Bk. Toronto	....	(252 bid — asked)			
5	4½	.	...	Barcelona	....	(4 bid — asked)			
7½	4	.	...	Barker's Bread	100	6	7½	7½	7½
39½	20	2.50	6.9	Do. pref.	155	36½	39½	34	34
8½	5	25c	...	Bathurst Pr.	265	5½	5½	5½	5½
3½	¾	.	...	Do. (B)	....	(1¾ bid 2½ asked)			
1.50	.50	.	...	Bawlf Grain	100	1.05	1.00	1.00	1.00
17	15	.	...	Do. pref.	110	15	15	15	15
3.00	1.50	.	...	Beath & Sons	....	1.50 bid 2.12 asked			
8½	4½	.	...	Beatty Bros. A.	10	4¾	5	5	5
105	99½	6	5.9	Do. pref.	....	(102 bid — asked)			
97	90	7	7.8	Do. 2nd pref.	....	(— bid 95 asked)			
5½	2	.	...	Beauharnois	1889	4½	4½	4	4
95	90	4	4.4	Belding Cort.	....	(91 bid 100 asked)			
141	131	7	5	Do. pref.	....	(138 bid 150 asked)			
178	165	8	4.6	Bell Telephone	680	174	175¾	172	172½
8	6	62½c	..	Biltmore Hats	60	7½	7	7	7
5	3½	.	...	Blue Ribbon	20	4½	4½	4½	4½
32½	25	2.50	7.8	Do. pref.	30	32	32	31	32
24½	18	1.30	6.6	Brant. Cord. pf.	....	(19½ bid 20 asked)			
12¾	7½	.	...	Brazilian Tr.	6050	8½	8¾	7½	7¾
5¾	3½	50+25c	..	Brew. & Distil.	40	4½	4½	4	4
6½	6½	30c	4.8	Bright, T. G.	....	(4½ bid 11 asked)			
80	80	6	7.5	Do. pref.	....	(75½ bid 90 asked)			
23½	19¾	1	4.8	Brit. Amer. Oil	6025	21½	21¾	20	20
18½	11	.	...	B. C. Packers	243	16	16½	16	16
28½	21½	2	7.4	B. C. Power (A)	483	28	27¾	27	27¾
3	2	.	...	Do. (B)	15	2½	2½	2½	2½
4½	2½	.	...	Bruck S. Mills	380	3	3	2¾	2¾
19	14	70+10c	4.6	Building Prod.	1372	17½	17¾	16½	16½
12½	9½	60c	6	Burlington Steel	10	10	9½	9½	9½
				C					
82½	73	.	...	Calgary Power	....	(70 bid 76 asked)			
99½	93¾	6	6.1	Do. pref.	20	98	99	99	99
5½	2	.	...	Canada Bread	455	4¾	4¾	4	4
105½	97½	5	4.7	Do. pref.	30	105½	105½	105	105
60	49	2.50+75c▲	4	Do. pref. B	....	(60 bid 63 asked)			
5	3½	40c	10	Canada Bud	125	4	4	4	4
10¾	7	.	...	Canada Cement	702	7½	7¾	7	7
102½	89	5	5.3	Do. pref.	210	94	96½	93	93
105	101	1.55	...	Canada Cycle, p	40	104½	104½	104½	104½
28¾	25½	1.50	5.6	C. & D. Sugar	478	27	27½	26½	26¾
b20¾	12	50c	2.8	Canada Dry	11100	19	19½	16	16½
13	7	.	...	Can. Forg. (A)	....	(7 bid 10 asked)			
10	7	.	...	Do. (B)	....	(5 bid 9 asked)			
20	20	.	...	Can. Iron	....	(20 bid 40 asked)			
55	50	5	9.1	Do. pref.	....	(56½ bid 70 asked)			
38	32	1.50+50	5.8	Can. Malting	245	35½	35½	34	34
18	13½	1.20	7.3	Can. Nor. Pr.	435	16½	17	16½	16½
112	107	7	6.3	Do. pref.	27	111	111	110½	111
90	66	3+1	4.6	Can. Packers	295	85	90	80½	80½
*7	1¾	.	...	Can. Paving, pf.	....	(— bid 2 asked)			
153	140	8	5.3	Can. Perman.	35	153	150	149	149
7½	6	.	...	Can. Starch	30	6	6	6	6
108	108	7	6.5	Do. pref.	....	(109 bid — asked)			
2.63	1.00	.	...	Can. Steamsh's.	279	1.55	1.60	1.00	1.00
10½	6¾	50c	6.7	Do. pref.	441	8	8	7¾	7½
14	10½	1.20	10.4	Can. Vinegars	510	12	12	10¾	11½
65	55	4	7	Can. W. Cable	80	55	57	56½	56½
22	14	25c	...	Do. (B)	85	15	15½	15½	15½
107½	101	6.50	6.1	Do. pref.	....	(107 bid — asked)			
1	1	.	...	Can. Bakeries	....	(¼ bid 1½ asked)			
45	25	.	...	Do. pref.	....	(25 bid 39 asked)			
179	159	8	4.8	Can. Bk. Com.	87	166½	166¾	165	165
1.80	.90	.	...	Can. Breweries	1880	1.10	1.15	1.00	1.00
23	17½	2	9.9	Do. pref.	590	20	20¾	19½	19½
39	30	1.50	4.4	Can. Bronze	25	34	34	34	34
106	105	5	4.8	Do. pref.	....	(105 bid — asked)			
4¾	2¾	.	...	Can. Canners	190	3	3¾	3	3
19	16½	1	5.6	Do. 1st pfd.	15	17¾	17¾	17¾	17¾
8	6	60c	8	Do. 2nd pfd.	1555	7½	8	7¾	7¾
18	7½	.	...	Can. Car & F'y	1060	8¾	9	7½	7¾
34½	17¾	.	...	Do. pref.	580	20	20½	18½	18½
20	10½	50+35c	.	Can. Celanese	921	18½	18¾	16½	16½
111	95	7	6.4	Do. pref.	115	110	110	109½	110
21	17¾	1	...	Do. Rights	....	(20 bid 21 asked)			
8	4	.	...	Can. Convert.	....	(5 bid 7 asked)			
67	63	4	6	Can. Cottons	15	67	65¾	65¾	65¾
105	100	6	5.8	Do. pref.	....	(105 bid — asked)			
23½	14	1	6.4	Can. Dredge	25	15¾	15½	15½	15½
102½	98½	6	5.8	Can. Fairb. pf.	....	(100½ bid — asked)			
13	6½	70c	8.2	Can. For. Inv.	20	9	8½	8½	8½
100	90	8	8.9	Do. pref.	....	(— bid — asked)			
255½	200	6	2.3	Can. Gen. Elec.	30	255	255½	255	255
9½	7	50c	5.6	Can. G. Inv.	125	9	8¾	8¾	8¾
2.87	1.50	10c	...	Can. Ind. Alc.	1595	1.90	1.90	1.85	1.90
2.87	1.25	10c	...	Do. (B)	335	1.80	1.80	1.80	1.80
225	192¾	7	3.4	Can. Indust. B.	21	206	206½	206½	206½
175	165	7	4	Do. pref.	....	172 bid 174½ asked			
.75	.25	.	...	Can. Int. I. Tr.	300	.50	.25	.25	.25
46	40	2	...	Do. pref.	....	(40 bid — asked)			
15	14	1	6.9	Can. Lt & Pr.	....	(14 bid 18 asked)			
8	4	.	...	Can. Locomo.	345	5	6	5½	5¾
20	18	.	...	Can. Mach'y, p.	....	(— bid — asked)			
1.25	.75	.	...	Can. Marconi	100	1.00	1.00	1.00	1.00
20	13½	50+37½c	6	Can. Oil	125	14½	15	14½	14½
122	106	8	6.8	Do. pref.	5	117	117	117	117
6¾	3½	.	...	Can. Pacific	3631	3¾	4	3½	3¾
.75	.30	.	...	C. Pr. & Pa. In.	250	.50	.75	.50	.75
4½	3½	.	...	Do. pref.	....	(3½ bid 4 asked)			
10	2	.	...	Can. Vickers	....	(2½ bid 2¾ asked)			
41	10	.	...	Do. pref.	115	10	12	10	10
15	9	50c	5	C. Wallpaper A.	....	(9 bid 12 asked)			
13	9	50c	5	Do. (B)	....	(9 bid 12 asked)			
60	55	2	3.3	Can. West'ho'se	....	(51½ bid 53½ asked)			
4	3	25c	...	Can. Wineries	250	3¾	3¾	3¾	3¾
20½	14¾	1.50	10	Can. Wire Box	50	16¾	15	14¾	14¾
3.00	.90	.	...	Capital Estates	347	1.05	.95	.90	.95
108	103¾	5	4.8	Carnation, pfd.	25	107	107	104½	104½
9½	6	50c	5.3	Catelli Food	135	9½	9½	9½	9½
13	11	75c	5.9	Do. pref.	145	13	12½	12½	12½
1.60	1.60		...	Celtic Knit.	....	(— bid 1.75 asked)			
165	160	8	4.8	Cent. Can. L'n.	....	(— bid — asked)			
100	100	4+1	5	Chart. Trust	....	(90 bid 100 asked)			
.70	.20	.	...	Chem. Research	....	(.20 bid .27 asked)			
1.10	.10	.	...	City Gas & El.	....	(.10 bid .15 asked)			
.15	.05	.	...	Claude Neon	....	(.10 bid .15 asked)			
1.35	1.10	12c	9.2	Coast Brew.	1850	1.26	1.30	1.30	1.30
8½	5	.	...	Cockshutt Plow	850	6½	6½	5½	5½
2.50	1.50	10c	...	Comm. Alcohol	625	2.25	2.12	2.00	2.00
6½	4½	40c	7.3	Do. pref.	75	5¾	5½	5¾	5¾
4	3	30c	10	Conduits Nat.	....	(— bid 3½ asked)			
17½	14	1+15	6.7	Cons. Bakeries	445	17	17	16	16
.05	.05	.	...	Cons. Div. Sec.	....	(.05 bid .15 asked)			
8½	6½	75c	...	Do. pref.	....	(7½ bid 9½ asked)			
7¾	3½	.	...	Cons. Paper	7787	4½	4¾	3½	3½
7	5	.	...	Cons. Press	40	6	7	6	6
75	60	1.75	...	Cons. Sand, pf.	10	68½	60	60	60
61½	37½	1+1	4.9	Cons. Smelters	3819	44¾	44¾	41	41
183	175	10	5.6	Consumers' Gas	411	178½	179	175	175
27½	20½	.	...	Corr. P. Box, p.	20	27½	22	22	22
22	16¾	1	5.6	Cosmos Imp.	100	17½	17¾	17½	17½
105	101	5	4.8	Do., pref.	....	(103½ bid — asked)			
29	21	1.60	5.9	Crown Cork	25	27	27	27	27
5	2	.	...	Crown Dom. Oil	50	3	3	3	3
35	24	3	...	Crow's N. Coal.	100	28¾	28¾	28¾	28¾
3.50	.60	.	...	Cub Aircraft	125	.80	.75	.60	.60
				D, E					
17	11½	60+30c	6.9	David & Fr. A	25	13	14	13	13
2½	1½	.	...	Do. (B)	....	(1¾ bid — asked)			
14	7	.	...	de Havilland	25	7	7	7	7
90	70	.	...	Do. pref.	5	82	82	82	82
2½	2½	.	...	Disher Steel	....	(2¾ bid 4½ asked)			
9	9	.	...	Do. pref.	....	(— bid 9 asked)			
20¾	15½	2	11.8	Distill-Seagram	2835	18	18½	16	16
90	82	5	5.5	Do. pref.	....	(— bid 90 asked)			
30	30	.	...	Dom. Ang. Inv.	....	(30 bid 48 asked)			
75	75	5+2.50▲	.	Do. pref.	....	(70 bid 84 asked)			
210½	200	10	4.8	Dom. Bank	73	209	209	207	207
37½	23¾	1.20	4.6	Dom. Bridge	1106	27	28¾	25½	28¾
19½	15	1.50	8	Dom. Coal, pf.	345	18¾	19½	18½	18½
38	21	.	...	Dom. Engineer.	....	(23 bid 30 asked)			
25	19	90c	...	Dom. Foundries	190	23½	23½	22	22
106½	104½	6	5.7	Do. pref.	....	103½ bid 106½ asked			
115½	105	5	4.4	Dom. Glass	7	114	114	113	114
165	146½	7	4.3	Do. pref.	....	(— bid 162 asked)			
33	31	.	...	Dom. Oilcloth	....	(— bid 31 asked)			
2	½	.	...	Dom. Scot. Inv.	....	(— bid 1 asked)			
30	25	1.20	...	Do. pref.	....	(— bid 28½ asked)			
12½	7½	.	...	Dom. St. & C.B.	5886	10½	11	9½	9¾
7¾	3	.	...	Dom. Stores	270	5¾	5¾	5	5½
7	4	.	...	Dom. Tar & Ch.	330	4½	5	4	4
88	69	5.50	6.2	Do. pref.	50	87½	88	88	88
70	65	5	7.3	Dom. Textile	169	69	69	68	69
161	147	7	4.3	Do. pref.	10	153	161	161	161
5¾	3	.	...	Donnacona P.A.	470	3½	3½	3	3
5½	2½	.	...	Do. (B)	35	3	2¾	2½	2½
6½	3½	.	...	Dryden Paper	180	4	3½	3½	3½
.75	.30	.	...	East Koot. Pr.	....	(— bid .75 asked)			
8½	6	.	...	Do. pref.	10	8	8½	8½	8½
.60	.45	.	...	East Dairies	....	(.50 bid — asked)			
4½	2	.	...	Do. pref.	....	(2 bid 4 asked)			
17	11	1	7.4	East Steel	800	13½	13½	13½	13½
96	65	7	7.8	East Theat. pf.	10	93	90	90	90
2.87	1.50	.	...	Easy Washing	150	2.12	1.60	1.50	1.50
30	22	2.25	...	Economic Inv.	....	(23 bid 25 asked)			
15	9	1.20	12.6	Electrolux	230	9½	9¾	9½	9½
1.25	.50	.	...	Enam. & Heat.	200	1.10	1.10	1.00	1.00
33	25	2.50	8.3	English Electric	40	30	30	30	30
8½	4	.	...	Do. (B)	....	(— bid 6 asked)			
8	5	15c	...	Equitable Life	....	(5 bid 5½ asked)			
8	5½	60c	11.4	European El. A.	....	(1½ bid 5½ asked)			
.10	.10	.	...	Do. Warrants	....	(.10 bid — asked)			
				F, G					
6	3½	.	...	Fairchild Air.	810	4½	4½	3½	3½
23½	18	1	4.3	Fam. Players	400	23½	23½	23	23
24	19	1+50c	6.4	Fanny Farmer	4032	24	24	21	21½
10¾	4½	.	...	Fleet Aircraft	505	5½	5½	4½	4½
3½	1	.	...	Fleury Bissell	....	(1 bid 3½ asked)			
33	25	.	...	Do. pref.	....	(27 bid 35 asked)			
23½	16½	1	5.3	Ford Motor A.	3465	20½	20	18	18
22	17½	1	5.4	Do. (B)	....	(18 bid 18¾ asked)			
.35	.15	.	...	For. Pr. Secs.	....	(.20 bid — asked)			
11¾	7	.	...	Foundation Co.	235	9	9½	7½	7½
17	6½	.	...	Fraser Cos.	5	10	6½	6½	6½
17½	7	.	...	Do. Vot. Tr.	970	9	9	7	7
.30	.25	.	...	Freiman, c.	....	(— bid — asked)			
38	31	.	...	Do. pref.	....	(— bid 35 asked)			
16½	11	80c	5.5	Gatineau Pwr.	735	15½	15½	14½	14½
95	87	5	5.3	Do. pref.	470	94¾	94¾	94	94½
6	2¾	.	...	Do. Rights	125	5½	5½	5½	5½
8	4¾	.	...	Gen. St. Wares.	720	5½	5½	5	5
83	55	1.75	...	Do. pref.	30	67	68½	65	65
78	66	2.50+5	10	Goodyear Tire.	44	75	75½	73	73
58½	54	2.50	4.5	Do. pref.	85	55	56	55	55
9	5	.	...	Gt. Lakes Pap.	....	(— bid 6 asked)			
15	12	.	...	Do. pref.	....	(— bid 12 asked)			
7	2½	.	...	Do. Vot. Tr. c	3	3½	3	3	3
17	10½	.	...	Do. Vot. Tr. p	60	11½	12	12	12
1.25	.60	.	...	Gt. W. Saddlery	45	1.00	1.00	.60	.60
12	12	.	...	Do. pref.	15	12	12	12	12
12½	10	60c	6	Greening Wire	540	10½	10	10	10
6½	5	†30c	...	Gurd, Chas.	975	5½	5½	5	5
108	105	7	6.7	Do. pref.	....	(— bid 105 asked)			
7	3¾		...	Gypsum Lime	625	4¾	5	4½	4½
				H, I					
6.00	.75	.	...	Ham. Bridge	100	1.00	1.00	1.00	1.00
36	24	.	...	Do. pref.	45	30	30	28	28
29	22	2	9.1	Ham. Cot. pf.	2	25	22	22	22
1.00	.45	.	...	Ham. U. Theat.	....	(.50 bid .90 asked)			
65	49½	6	9.2	Do. pref.	53	61½	65	61½	65
4	2½	20c	6.4	Harding Carpet	10	3½	3½	3½	3½
*5	2½	.	...	Hillcrest Coll.	....	(— bid 1½ asked)			
1¾	1¾	.	...	Do. pref.	....	(1¾ bid 12 asked)			
15	8	50c	5.3	Hinde & Dauch	50	10	9½	9½	9½
*20	20	.	...	Holt Renfrew	....	(— bid 15 asked)			
40	40	.	...	Do. pref.	....	(— bid 35 asked)			
11	10	.	...	Honey Dew	60	10¾	11	11	11
13½	10	.	...	H. Smith Pap.	445	11½	11½	10	10
96½	88	6	6.3	Do. pref.	95	94	95½	92	92
15½	12	1	8	Humberstone S.	40	12	12½	12½	12½
5	2	.	...	Hunts (A)	10	5	4	4	4
5	2	.	...	Do. (B)	10	5	4	4	4
70¾	62	4	5.9	Huron & E. Mt.	5	65	68	68	68
10	8½	80c	...	Do. 20% pd.	....	(8½ bid 12 asked)			
4½	3	20c	5.2	Hydro Electric.	....	(2¾ bid 3¾ asked)			
221	202½	10	4.5	Imperial Bank	41	217½	218	217½	217½
17½	14	50+75c	8.3	Imperial Oil	9092	15	15½	14½	14½
16¾	15	40+22½c	3.7	Imperial Tob.	4969	16¾	16¾	16½	16½
8	7	6%	...	Do. pref.	....	(7½ bid 7¾ asked)			
33	28	2+12½c	6.8	Indust. Accept	230	31	30½	30	30
35	25	3	...	Inter-City Bak.	20	32	32	32	32
55	45	4+2	13.3	Inter'c Coal	....	(— bid 55 asked)			
*126	119¾	8	6.7	Do. pref.	....	(— bid 124 asked)			
20	15	1.50	10	Inter. Bronze	180	16	16	15	15
26½	23	1.50	6.2	Do. pref.	....	(23 bid 24½ asked)			
.30	.30	3c	...	Int. Coal & C.	....	(.25 bid .40 asked)			
b8½	3¾	.	...	Int. Hyd. E. A.	5100	6	6½	5¾	5
7¾	3¾	.	...	Int. Metal Ind.	25	5½	5½	5½	5½
91½	70	6+4.25▲	6.8	Do. pref.	195	87	90	88	88
89	70	6+4.25▲	6.7	Do. pref. A.	55	87	89	87	87
107	104	5	4.7	Int. Mill., pf.	7	105½	107	105	107
56¾	42¾	2	4.3	Int. Nickel	11609	49¾	50	46½	46½
3	2		...	Int. Paints	....	(2 bid 2¾ asked)			
13	11¾	1+25c▲	.8	Do. pref.	....	(12½ bid 15 asked)			
b14¾	6¾	.	...	Int. Pap. & P.	9700	8¾	9½	7½	7½
b51¾	26½	.	...	Do. pref.	8200	33½	34¾	28	28½
27¾	19¾	1.50+50c	9	Int. Pete.	4846	22	22½	19¾	20
4	2	.	...	Int. Power	47	3	3	2	3
81	69	6	8.6	Do. pref.	12	70	71½	70	70
*11¾	10½	1.12	...	Int. St. Rlty. A.	....	(— bid 12 asked)			
*4	3¾	.	...	Do. (B)	....	(— bid 4 asked)			
10	5	.	...	Int. Util. (A)	....	(— bid 8½ asked)			
.75	.35	.	...	Do. (B)	175	.50	.45	.35	.35
				J, K, L					
40½	35½	2	5	Jam. Pub. Ser.	....	(40 bid — asked)			
133	129	7	5.3	Do. pref.	....	(133 bid — asked)			
12	9	75c	6.2	Kelvinator	25	12	12	11½	11½
20	6	.	...	L. St. John Pr.	127	12	10	6	6½
3.63	.50	.	...	Lake Sulphite	100	.75	.75	.75	.75
21	13	.	...	Lake of Woods.	720	18	18½	17½	17½
126	112	7	5.5	Do. pref.	....	(124 bid — asked)			
65	55	4	7.3	Landed Bank	....	(— bid 65 asked)			
12½	9¾	70c	5.6	Lang, J. A.	25	12	12½	12½	12½
3	2½	.	...	Langley's	....	(— bid 1¾ asked)			
25½	20	1▲	...	Do. pref.	....	(— bid 25 asked)			
13½	10¾	80c	6.5	Laura Secord	1275	12¾	12¾	11¾	11¾
8½	4½	.	...	Legare, pref.	25	7½	7¾	7¾	7¾
5½	4		...	Lindsay, C. W.	....	(4 bid 5½ asked)			
*78	66	.	...	Do. pref.	....	(— bid 70 asked)			
27	22	1+25c	4.8	Loblaw (A)	2297	26¾	27	25½	26
24¾	21	1+25c	5.3	Do. (B)	1168	24½	24¾	23	23½
				M					
1.05	.50	.	...	Mackenzie Air.	185	.50	.65	.50	.50
2	2	.	...	MacKin. Steel.	....	(2 bid — asked)			
62	55	7	...	Do. pref.	....	(55 bid — asked)			
15	8½	.	...	Maclaren Pr. p.	275	10	9¾	9	9
6	3½	.	...	M. L. Gardens.	2	6	5½	5½	5½
8	5	70c	10.8	Do. pref.	1	8	6½	6½	6½
2.50	1.00	.	...	Maple Leaf	440	2.00	2.12	1.50	1.50
5¾	2½	.	...	Do. pref.	220	5	5	4½	4½
16	15¾	70+2½c	..	Maritime Tele.	....	(16 bid — asked)			
17	16¾	70c	4.2	Do. pref.	....	(17¾ bid — asked)			
15¾	15½	.	...	Marcus Loew's.	....	(14½ bid — asked)			
*115	115	7+21▲	..	Do. pref.	....	(— bid — asked)			
7½	4½	.	...	Massey-Harris	1550	4½	4¾	4	4
60½	29½	.	...	Do. pref.	1025	40	41	31	35½
7½	5	.	...	McColl Fron.	750	6	6	5	5¾
95	82½	6	6.7	Do. pref.	181	88	89½	85	88¾
1.50	1.20		...	Melchers	....	(— bid 1.60 asked)			
6½	5	60c	12	Do. pref.	176	5½	5½	5	5
1½	1½	.	...	Mercantile Tran	....	(1¾ bid — asked)			
5	5	3%	...	Do. pref.	....	(4¾ bid — asked)			
*2½	2½	.	...	Mercury Mills.	....	(— bid — asked)			
8	5½	.	...	Do. pref.	....	(6 bid 7 asked)			
52	50	2	4	Mitchell, J. S.	....	(50 bid — asked)			
113	112	7	6.2	Do. pref.	....	(112 bid — asked)			
17	8	.	...	Mitchell, Robt.	75	9½	9	9	9
1	1	.	...	Monarch Knit.	....	(1 bid — asked)			
24	19½	.	...	Do. pref.	....	(22 bid — asked)			
38	35	2	5.7	Montreal Cot.	....	(— bid 35 asked)			
101	98	7	7	Do. pref.	....	(100 bid — asked)			
1.50	.50		...	Mont. Is. Pr.	....	(.25 bid 2.25 asked)			
33	29½	1.50	4.7	Mont. L. & Pr.	2912	32½	32½	31½	32
51¾	49¾	.	...	Do. Notes	216	51½	51¾	51	51¾
28	25	2	8	Montreal Loan.	....	(25 bid — asked)			
1.00	.50	.	...	Mtl. Refrig. & S	....	(.50 bid — asked)			
12¾	11	1.25	...	Do. pref.	....	(— bid — asked)			
60	50	3.20	6	Montreal Tele.	....	(53 bid 55 asked)			
73	64	6	9.1	Montreal Trams	46	66	66	66	66
41	35	1.60+40c	5	Moore Corp.	904	40½	40½	38	38½
179	155	7	4	Do. pref. (A)	6	175	172	172	172
240	208	7	3	Do. pref. (B)	10	225	240	240	240
.10	.10	.	...	Muirheads	....	(— bid .50 asked)			
*4	2¾	.	...	Do. pref.	....	(— bid 3½ asked)			
				N, O					
43	38½	2	5	Nat. Breweries.	2690	40	40½	39½	39½
45½	41	1.75	4	Do. pref.	35	44	43½	43	43½
6¾	4½	.	...	Nat. Grocers	450	6	6	5½	5½
25	23	1.50	6.3	Do. pref.	250	24½	24½	23¾	23¾
13½	9½		..	N. Sew. Pipe A	25	10½	10½	10½	10½
61½	43½	2	4.2	Nat. Steel Car.	1460	49	49½	43½	45
205	190	8	4.1	National Tr.	....	(192 bid 196 asked)			
7½	7½	50c	6.9	Neon Pr. Inv.	....	(7½ bid 8½ asked)			
22½	16	1	5.9	Niag. W. Weav.	100	17½	17½	17	17
1.25	.40	.	...	North Star Oil.	300	.50	.40	.40	.40
3¾	3	35c	10	Do. pref.	40	3½	3½	3½	3½
95½	92	6	6.4	N. S. L. & Pr.	....	(97 bid — asked)			
107	102	6	5.7	Do. pref.	....	(106½ bid — asked)			
*15	9	.	...	N. S. Steel, pf.	....	(— bid — asked)			
29½	23	1	3.8	Ogilvie Flour	795	26¾	26½	26	26
170	156	7	4.3	Do. pref.	....	(163 bid — asked)			
112	108	5	4.5	Ontario Loan	6	110	110	110	110
*7½	4¾	.	...	Ont. Silknit	....	(— bid 5¾ asked)			
15	7½	.	...	Do. pref.	....	(2 bid 12 asked)			
10	6	60c	7.5	Ont. Steel	....	(5 bid 8 asked)			
100	90	7	7.8	Do. pref.	....	(— bid — asked)			
5	1½	.	...	Orange Crush.	100	4½	4¾	4¾	4¾
7½	4	70c	10.8	Do. pref.	75	6¾	6½	6½	6½
55	55	2	3.6	Ottawa Car	....	(— bid — asked)			
8½	4	.	...	Ottawa El. Rly.	5	6½	4	4	4
15	14	1	6.7	Ott. L. H. & Pr.	....	(14 bid 15 asked)			
102	98	5	5	Do. pref.	160	100	100	100	100
				P, Q, R					
18	10	3c	...	Pacific Coyle	....	(12 bid — asked)			
104½	93	4	3.9	Page Hersey	222	101½	102	101	101
7¾	4¾	.	...	Pantepec Oil	100	4¾	4¾	4¾	4¾
12	5	.	...	Paton Mfg.	....	(5 bid 15 asked)			
110	100	7	7	Do. pref.	....	(100 bid — asked)			
43	38	3	7.5	Penmans	10	42	40	40	40
130½	115	6	4.8	Do. pref.	....	(— bid 130 asked)			
20	16½	1	5.7	Photo Eng.	20	18	17½	17½	17½
101	95½	7	6.9	Porto Rico Pr. p	....	(99½ bid 100 asked)			
12½	8½	60c	...	Power Corp.	965	9½	10	8½	9½
105	99	6	5.8	Do. pref.	60	104	104	103	104
47	41	3	7	Do. 2nd pref.	71	45	43½	42½	42½
10¾	5½	.	...	Pressed Metals.	....	(7½ bid 9½ asked)			
19¾	8	.	...	Price Bros.	1130	11	11½	8	8½
58½	36		...	Do. pref.	290	43	43	43	43
7½	6½	20c	2.8	Prov. Transport	455	7	7½	7	7
19	16	1	6	Quebec Power	160	16½	16¾	16	16
5	4½	.	...	Quebec Tele.	26	4½	4½	4½	4½
35	32	2	6.1	Real Estate L'n.	....	(32 bid 40 asked)			
4½	2	.	...	Regent Knit	25	2	2½	2½	2½
21	17	.	...	Do. pref.	....	(— bid 17 asked)			
2¾	2	30c	...	Reinhardt Brew	....	(2½ bid 2½ asked)			
4½	1½	.	...	Reliance Grain	....	(1 bid 2½ asked)			
*12½	10½	60c	...	Remington R'd.	....	(10 bid — asked)			
28	22½	2	7.8	River S. Mill	75	25½	26½	26½	26½
3	1¾	.	...	Rogers Majest.	210	2½	2½	2½	2½
11	7	50c	5.5	Rolland Pap.	....	(8½ bid — asked)			
11	6	50c	5.9	Do. Vot. Trust	130	8½	8½	8½	8½
99	92½	6	6.4	Do. pref.	....	(90 bid 94 asked)			
193	178	8	4.2	Royal Bank	138	190	192	189	191
100	71	7	7	Russell Indust.	2	100	100	100	100
125	112	7	5.7	Do. pref.	....	(123 bid — asked)			
				S					
107½	103½	5.50	5.2	Saguenay Pr. p.	40	106½	106	105½	106
20	17½	1	5.6	Sangamo	....	(17 bid 20 asked)			
6	4	.	...	Sarnia Br. (A)	25	5	5½	5	5
6	6		...	Do. (B)	....	(1 bid 2 asked)			
22¾	18½	92c	4.6	Shawinigan Pr.	990	20	20	18¾	19½
14¾	10	.	...	Sher. Wms.	55	12	12	12	12
115	105	7	6.4	Do. pref.	....	(110 bid 125 asked)			
3.00	1.25	.	...	Silverwoods	64	2.75	3.00	3.00	3.00
5	3½	40c	8	Do. pref.	240	5	5	5	5
9	7	60c	8.3	Simon & Son	....	(7½ bid 8½ asked)			
106	102	7	6.7	Do. pref.	....	(106 bid — asked)			
12	10	.	...	Simpson, A.	....	(7½ bid — asked)			
5	1¾	.	...	Do. (B)	26	4½	4½	4	4½
95½	78	5+1▲	5.3	Do. pref.	120	95	95½	94	94
138½	115	6	4.3	Simpson, R., pf.	60	138½	138	138	138
12½	10	80c	6.9	So. Can. Pr.	75	11	11½	11	11
112¾	106	6	5.4	Do. pref.	28	112	112¾	111	111
4¾	2¾	.	...	St. Law. Corp.	2485	2¾	3	2½	2½
15½	7¾	.	...	Do. (A)	210	9¾	9½	8	8
24	17½	1	4.5	St. Law. Flour	....	(22½ bid 24 asked)			
125	115	7	6.1	Do. pref.	....	(115 bid 123 asked)			
42	21		...	St. Law. Pap. p.	140	28½	29½	25½	25½
8	3	50c	...	Stand. Chem.	25	7	6½	6½	6½
1	1		...	Stand. Clay	....	(1 bid 2½ asked)			
3.50	.75	.	...	St. Pav. & Mat.	10	1.40	1.25	1.25	1.25
4½	3½	.	...	Do. pref.	20	4	3½	3½	3½
38	38	3	7.9	Stand. Steel, pf.	....	(35 bid 40 asked)			
21½	16¾	60+40c	4.7	Stedman Bros.	....	(21½ bid — asked)			
77¾	66½	1.75‡	5	Steel of Can.	1001	73¾	73½	70	71
75	66½	1.75	2.4	Do. pref.	140	73½	72	69	69
4	2	.	...	Sterling Coal	....	(4 bid 4¾ asked)			
*.75	.10	.	...	Stop & Shop	....	(— bid .20 asked)			
8½	8½	80c	9.4	Stuart, D. A. pf.	....	(8 bid 10 asked)			
4½	2½		..	Supersilk H.A.	....	(3 bid 3½ asked)			
4½	3½			Do (B)	....	(4 bid 4½ asked)			
85	80	5	6.2	Do. pref.	....	(— bid 80 asked)			
38¾	34	1+50c	4.4	Sup. Pete. ord.	30	34½	34½	34½	34½
37½	25	1+50c	4	Do. com.	....	(33½ bid 36 asked)			
				T, U, V					
13	11	80c	6.9	Tamblyn	25	11	11½	11½	11½
54	52	2.50	4.6	Do. pref.	....	(52½ bid 54 asked)			
4	2½	.	...	Thayers	....	(2 bid — asked)			
32½	30	3.50	...	Do. pref.	....	(31¾ bid 36 asked)			
*.25	.25	.	...	Thrift Stores	....	(— bid 1 asked)			
2½	2½	.	...	Do. pref.	....	(— bid 3½ asked)			
12½	8½	60c	6	Tip Top Tailors	....	(9 bid 9½ asked)			
109	104½	7	6.6	Do. pref.	....	(105 bid 107 asked)			
.75	.50	.	...	Tooke Bros.	10	.50	.75	.75	.75
7	5	.	...	Do. pref.	....	(6 bid 7 asked)			
17½	10	.	...	Tor. Elevators	150	16	15	15	15
46	41½	2.62½	5.9	Do. pref.	25	44	44	44	44
90	79	4	4.9	Tor. Gen. Tr.	17	85	81	80	80
113	100	6	6	Toronto Mtge.	....	(100 bid 106 asked)			
170	153	7	4.1	Tuckett Tob. p.	10	170	170	167	167
3	2	.	...	Twin City	26	2½	2¾	2¾	2¾
15	11	80+20c	7	Union Gas	1457	14½	14½	13½	13½
14	12	60+15c	5	Un. Amuse. A.	....	(14 bid — asked)			
14	14	60+15c	5	Do. (B)	....	(14 bid — asked)			
1.05	.90	.	...	Un. Cigar-W.	....	(— bid 1.25 asked)			
.75	.50	.	...	United Distill	100	.50	.50	.50	.50
38	25	3	9.4	United Fuel, pf.	291	33	32½	32	32
5	2¾	.	...	Do. (B)	125	2¾	2¾	2¾	2¾
6½	4½	.	...	United Secs.	58	4½	5½	5½	5½
7	3½	.	...	United Steel	2465	4	4½	3½	3½
3½	2	.	...	Viau Bisc.	50	3	3	3	3
55½	47	5	9.8	Do. pref.	....	(50 bid — asked)			
				W, Y, Z					
18	12	1	5.6	Wabasso Cot.	41	18	16½	16½	16½
51	38	4	9.5	Walker-Good.	1674	44	44¾	40	40½
20¾	19	1	4.9	Do. pref.	1015	20¾	20½	20	20
1.40	.95	.	...	Walkerville Br.	10	1.00	1.00	1.00	1.00
*125	123½	7	5.6	W. Koot. Pr. p.	....	(126 bid — asked)			
3½	2	.	...	West. C. Flour.	....	(2¾ bid 3¾ asked)			
37	15	.	...	Do. pref.	....	(25 bid 35 asked)			
50	45	3	6.4	West Grocers	....	(— bid 55 asked)			
114	103½	7	6.7	Do. pref.	....	(— bid 110 asked)			
11	10½	50c	4.6	W'minster Pap.	....	(10¾ bid — asked)			
12½	9¾	80c	7.1	Weston Ltd.	1031	11½	11½	10½	10½
95½	85	5	5.2	Do. pref.	13	96	95½	94	94
18½	18	1	5.4	Wilsils	15	18	18½	18½	18½
2.25	1.25	.	...	Winnipeg El. A.	262	1.50	1.25	1.25	1.25
2.00	1.05	.	...	Do. (B)	58	1.25	1.40	1.40	1.40
11	6¾	.	...	Do. pref.	35	6¾	7	7	7
67	60	7	...	Wood, A. & J. p	....	(55 bid 60 asked)			
25	17½	.	...	Woods Mfg., pf.	....	(— bid 25 asked)			
4½	4	.	...	York Knitting	40	4½	4	4	4
100	100	7	7	Do. 1st pref.	....	(100 Jan. 4)			
9	7	.	...	Zellers	....	(8 bid 8½ asked)			
25	22	1.50	6.1	Do. pref.	40	24	24½	24½	24½

Quotations: * 1938. * 1937. b New York quotations.

▲ On account of arrears.

‡ Plus extra of $2 paid Feb. 1, 1939.

• Initial. † Interim.

Mining Stocks

Week Ending August 21.

Par Val.	Range 1939 High	Low	Company	Sales	Close Aug. 14 (or last)	High for week	Low for week	Close Aug. 21
			A					
1	.04½	.01½	Afton	3,000	.02½	.02¾	.02	.02
No	.52	.25	Aldermac	14,300	.32	.32	.25	.27
1	.01½	.00½	Alexandria	......	(.00½ bid	.01½ asked)		
1	.17	.05½	Amm. Gold	5,000	.07	.06¾	.05½	.05½
No	3.25	2.20	Anglo-Huronian	46	2.25	2.22	2.20	2.20
No	.02½	.01	Arno	1,500	.02	.02	.02	.02
1	.17½	.09	Arntfield	48,725	.15	.15	.09¾	.10½
1	.10½	.05	Ashley	1,250	.06	.06	.05	.06
1	.06½	.01	Astoria Quebec	600	.03½	.03	.03	.03
1	2.87	1.75	Aunor Gold	57,588	2.50	2.53	1.92	1.99
			B					
1	.23	.06	Bagamac	3,200	.07	.10	.08	.08
1	.38	.17	Bankfield	15,650	.25½	.25	.20	.21
No	.30	.10	Base Metals	1,000	.18	.16	.14	.14½
1	.32	.06½	Bear Exploration	10,300	.08½	.09½	.06½	.07
1	1.40	1.00	Beattie Gold	2,750	1.21	1.24	1.08	1.09
1	.14	.07½	Beaufor	11,500	.12	.12	.12	.12
1	.30	.15	Bidgood Kirk	20,300	.16	.16½	.10	.11½
1	.35	.08	Big Missouri	3,550	.12	.14	.10	.08½
1	.22	.08	Bobjo	16,900	.09½	.10	.08	.08½
1	.12	.04½	Bouscadillac G.M.	......	(.04 bid	.10 asked)		
No	12.50	9.55	Bralorne	3,010	11.50	11.37	10.00	10.00
1	.08	.04	Brazil Gold	......	(.05 bid	.06 asked)		
1	.03½	.01	Brett Trethewey	1,500	.01½	.01½	.01½	.01½
1	.75	.28	Broulan Porc.	39,000	.40	.43	.30	.32
1	15.50	8.50	Buffalo Ankerite	3,496	9.15	9.20	8.50	8.50
No	.05	.02	Buffalo Can.	2,416	.02½	.02½	.02	.02½
5	28.00	23.00	Bulolo Gold	690	23.50	24.00	23.00	23.00
No	.11½	.05	Bunker Hill	7,000	.06½	.06	.05	.05
			C					
No	1.03	.60	Can. Malartic	5,300	.75	.74	.60	.60
1	.03½	.01½	Capital Rouyn	......	(.... bid	.02½ asked)		
1	2.40	2.00	Cariboo Gold	1,750	2.25	2.24	2.00	2.00
1	.06	.02	Cartier Malartic	7,400	.03	.03	.02½	.02½
1	1.05	.65	Castle Trethewey	3,100	.76	.76	.76	.76
1	.25½	.14	Cen. Cadillac	32,100	.19	.20½	.14	.15
1	2.75	2.05	Cen. Patricia	5,800	2.42	2.45	2.25	2.25
1	.14½	.05	Cen. Porcupine	10,600	.09¾	.09½	.09	.09
1	.25	.15	Century Mining	13,900	.20½	.22¾	.19	.19
1	1.39	.85	Chesterville	20,650	1.03	1.06	.86	.88
No	.88	.45	Chromium	6,030	.52	.53	.45	.45
5	2.50	1.50	Coast Copper	425	1.75	1.90	1.75	1.75
5	2.00	1.39	Coniagas	200	1.60	1.60	1.60	1.60
No	2.34	1.26	Coniaurum	13,513	1.74	1.78	1.35	1.41
1	.30	.10	Con. Chibougamau	6,850	.15½	.16	.11	.11
5	61.25	37.50	Cons. Smelters	3,819	44.75	44.87	41.00	41.00
			D, E					
1	.08½	.03	Darkwater	1,000	.04	.04½	.04½	.04½
1	.16	.09½	Denison Nickel	1,700	.10	.10	.09	.09
No	34.25	29.00	Dome Mines	3,816	32.50	33.75	32.50	32.50
1	.03½	.02	Dom. Explorers	500	.03½	.02½	.02½	.02½
1	.09½	.04½	Dorval Siscoe	8,200	.05½	.05½	.04½	.05
1	.08	.02	Duparquet	61,750	.02½	.02¾	.02	.02½
1	.27	.10	Duquesne	6,600	.15	.15½	.10	.10
1	2.85	2.07	East Malartic	65,230	2.67	2.75	2.35	2.35
1	2.36	.85	Eldorado	29,750	1.13	1.14	.85	.85
			F, G					
No	6.00	4.50	Falconbridge	5,290	5.75	5.75	5.30	5.30
1	.08½	.03½	Federal	12,600	.04	.04	.03½	.03½
1	.17	.03	Fernland	7,800	.03½	.03½	.03½	.03½
No	.77	.15	Francoeur Gold	154,300	.58	.59	.29	.32
1	.11¾	.04	Gillies Lake	20,600	.06	.06	.05	.05
1	.05	.01½	Glenora	6,000	.02½	.02½	.02	.02
No	.49	.20	God's Lake	27,682	.40½	.42	.30	.32
1	.28	.15	Goldale	16,650	.18½	.18½	.16½	.16½
50c.	.63	.29	Gold Belt	200	.29	.30	.30	.30
1	.13½	.04½	Gold Eagle	52,650	.10	.13½	.10	.10½
1	.03½	.01½	Goodfish	5,000	.01½	.01½	.01½	.01½
1	.04	.02½	Graham Bosquet	5,000	.02½	.02½	.02½	.02½
1	.13½	.02½	Granada Gold	2,000	.02½	.02½	.02½	.02½
No	.07	.04½	Grandora	......	(.04½ bid	.06½ asked)		
1	.02½	.02	Grull Wihksne	......	(.01¾ bid	.04 asked)		
1	.64	.40	Gunnar Gold	4,710	.49	.50½	.44	.44
			H, I, J					
1	.03½	.01	Halcrow Swayze	1,500	.02½	.01½	.01½	.01½
1	.08	.02	Halliwell Gold	4,500	.02¾	.02¾	.02½	.02½
1	1.95	.88	Hard Rock	19,305	1.05	1.10	.88	.88
1	.10	.06	Harker	7,700	.07	.08	.07½	.07½
1	1.58	.70	Hedley Mascot	120	.75	.75	.75	.75
5	15.50	13.50	Hollinger	4,973	15.25	15.12	14.25	14.25
1	.37	.24	Howey Gold	22,050	.33	.32½	.30½	.30½
No	35.50	25.50	Hudson Bay	2,890	34.00	34.12	32.25	32.75
1	.45	.21	Inspiration	......	(.25 bid	.30 asked)		
1	9.25	7.00	Inter. Mining	......	(7.00 Apr. 20)			
No	56.37	42.75	Int. Nickel	11,609	49.37	50.00	46.25	46.50
50c.	1.26	1.02	Island Mountain	200	1.06	1.04	1.02	1.02
1	.11½	.03	Jacola	2,599	.05	.04½	.04	.04½
1	.34	.12	Jack Waite	2,100	.21	.21	.20	.21
1	.18	.10	Jellicoe	2,817	.14	.17	.10	.15
1	.11	.03	J. M. Cons. Gold	7,700	.03½	.03½	.03	.03½
1	.06½	.03	Joliet Quebec	18,100	.04	.05½	.04	.04
			K, L					
1	2.14	1.47	Kerr Addison	99,652	2.02	2.06	1.77	1.82
1	.65	.30	Kerr Lake	......	(.36 bid	.75 asked)		
1	.10	.04	Kirk. Gold Rand.	......	(.03 bid	.08 asked)		
1	.73	.24	Kirk. Hud. Bay	1,000	.25	.25	.25	.25
1	1.75	1.15	Kirkland Lake	20,690	1.47	1.47	1.25	1.27
1	.13½	.07	Kirk. Townsite	......	(.08 bid	.12 asked)		
1	50.50	32.75	Lake Shore	3,278	41.00	41.00	38.50	38.63
No	7.30	5.50	Lamaque Gold	1,604	6.70	7.25	6.40	6.45
1	.54	.14½	Lapa Cadillac	16,000	.21	.20	.15	.15½
1	.85	.59	Lava Cap	4,550	.76	.76	.72	.72
1	.08½	.02½	Lebel Oro	15,500	.03	.03	.02½	.03
1	.90	.63	Leitch Gold	15,450	.83	.84	.73	.73
No	3.60	2.60	Little Long Lac	4,375	2.98	2.95	2.75	2.75
			M					
1	5.90	3.85	Macassa	7,085	4.75	4.80	4.20	4.30
1	3.20	1.60	MacLeod Cockshutt	7,125	1.86	1.93	1.60	1.65
1	.55	.30	Madsen Red Lake	15,900	.38	.36	.34	.34
1	.75	.43	Malartic Gold	29,500	.68	.67½	.46	.50
No	.17	.08	Mandy	......	(.11 bid	.15 asked)		
No	.02½	.00¾	Man. & Eastern	9,000	.02	.01½	.01½	.01½
1	.07	.02½	Maralgo	2,500	.03½	.03	.03	.03
5	59.63	49.75	McIntyre	1,616	58.75	59.00	54.50	54.50
1	1.38	1.00	McKenzie R. L.	15,450	1.28	1.29	1.14	1.17
1	.20½	.06	McVittie Graham	20,500	.16	.15¾	.12	.12
No	.75	.36	McWatters	11,400	.59	.57	.43	.43
5	.35	.30	Mentor Exploration	......	(.... bid	.47 asked)		
No	2.05	1.05	Mining Corp.	2,525	1.27	1.27	1.11	1.11
No	.03	.01½	Minto Mines	......	(.01 bid	.02 asked)		
1	1.45	.89	Moneta	11,880	1.00	1.02	.95	.95
1	.20	.06	Morris Kirk	66,100	.08½	.08¾	.06	.06
1	.02½	.01	Murphy	1,500	.01½	.01½	.01½	.01½
			N, O					
1	.51½	.13½	Naybob	60,000	.16½	.17½	.13½	.15
No	.09	.02½	Newbec	3,700	.03	.02¾	.02¼	.02¾
1	.25	.09	New Golden Rose	1,000	.15	.12	.12	.12
1	.60	.20	New True Fissure	23,000	.35	.36	.30	.33
5	1.80	1.28	Nipissing	1,820	1.35	1.35	1.30	1.30
No	84.00	70.00	Noranda	10,465	83.00	83.00	78.50	79.00
No	.60	.40	Nor. Canada	1,580	.52	.54	.48	.54
1	.06½	.03	Norgold	4,000	.03½	.03½	.03	.03
No	.70	.30	Normetals	2,862	.58½	.60	.45	.45
1	9.50	8.00	Northern Empire	450	9.25	9.30	8.90	8.90
1	3.25	1.75	O'Brien	13,085	2.18	2.15	1.75	1.77
1	•.53	.25	Omega	6,387	.30	.33	.25	.25
No	.52½	.20	Oro Plata	800	.24	.23	.20	.20
1	.14	.07	Osisko	......	(.08 bid	.... asked)		
			P, Q, R					
No	4.85	1.85	Pamour Porc.	23,520	2.12	2.15	1.85	1.91
1	.16	.04	Pandora	2,100	.05	.04½	.04	.04
1	2.55	2.10	Pato Cons. G.	400	2.20	2.20	2.10	2.20
1	.07½	.03	Partanen Mal.	8,500	.04	.04½	.03½	.03½
1	.07½	.02	Paulore	1,500	.02	.02	.02	.02
1	.02	.00½	Pawnee Kirk	3,000	.01½	.01	.01	.01
1	.61	.35	Paymaster	19,969	.44	.43½	.39	.39
1	1.95	1.21	Pend Oreille	3,485	1.41	1.40	1.21	1.25
1	2.05	1.45	Perron Gold	10,860	1.95	1.98	1.73	1.78
1	.01	.00½	Peterson Cobalt	......	(.00½ bid	.01 asked)		
1	5.60	4.20	Pickle Crow	8,965	4.55	4.65	4.20	4.20
1	2.70	2.25	Pioneer Gold B.C.	4,215	2.48	2.50	2.35	2.35
100	14.50	12.00	Placer Devel.	......	(12.50 bid	13.00 asked)		
1	2.45	1.18	Powell Rouyn	9,031	1.92	1.90	1.59	1.59
1	2.40	1.71	Premier Gold	3,250	1.80	1.90	1.71	1.71
1	1.75	1.17	Preston E. Dome.	69,845	1.57	1.59	1.34	1.38
No	.58	.40	Prospectors Air's.	500	.48	.40½	.40½	.40½
1	.65	.30	Quebec Gold	......	(.26 bid	.40 asked)		
No	.15	.04	Quemont	......	(.... bid	.15 asked)		
No	.09	.03½	Red Crest	500	.03½	.03½	.03½	.03½
1	.30	.20	Reeves Macdonald	......	(.20 Aug. 3)			
1	.56	.20	Reno Gold	9,250	.48	.47	.38	.38
1	.05½	.01	Reward	31,000	.02	.01½	.01	.01
1	.01½	.00½	Robb Montbray	3,600	.00½	.00¾	.00½	.00¾
1	.11½	.04½	Roche Long Lac	1,400	.07	.06	.04½	.04½
			S					
1	2.03	1.18	San Antonio	20,034	1.92	1.92	1.61	1.63
1	.17	.10	Sand River	5,600	.10	.10½	.10	.10
1	.51	.30	Senator Rouyn	13,900	.45	.46	.30	.30
1	.04½	.02	Shawkey	2,200	.02	.02½	.02	.02½
50c.	1.25	.90	Sheep Creek	7,000	1.22	1.22	1.06	1.06
1	1.44	.85	Sherritt Gordon	26,318	1.00	1.03	.86	.90
1	7.70	5.50	Sigma Mines	1,070	7.00	7.25	6.50	6.50
1	1.65	.95	Siscoe	25,860	1.15	1.18	.99	1.02
1	.80	.31	Sladen Malartic	7,000	.40	.41	.31	.31
1	.13	.04	Slave Lake	3,000	.05½	.04½	.04	.04
No	1.03	.37	Stadacona	93,522	.50	.51	.37	.39
1	.15½	.08	St. Anthony	10,400	.09½	.09½	.08	.08½
No	.11	.03½	Straw Lake	21,500	.04½	.04½	.03½	.03½
1	.24½	.09	Sturgeon River	100	.16	.15	.15	.15
No	2.99	1.80	Sudbury Basin	3,370	2.10	2.20	1.90	1.91
1	.14½	.05½	Sudbury Contact.	500	.07½	.06	.06	.06
1	1.01	.73	Sullivan Cons.	11,975	.80	.80	.74	.74
1	3.55	2.78	Sylvanite	3,505	3.35	3.40	3.05	3.05
			T, U, V, W, Y					
1	4.70	3.80	Teck Hughes	7,240	4.25	4.25	4.05	4.10
1	.14½	.06	Temiskaming	5,400	.07½	.07½	.06	.06½
1	2.30	1.65	Toburn Gold	500	1.80	1.80	1.65	1.65
1	.40	.20	Towagmac	3,200	.30	.29	.20	.20
1	1.65	.93	Uchi Gold	8,875	1.08	1.09	.93	.93
	97.75	95.00	Do., Bonds	$2,400	95.50	95.50	95.00	95.50
No	5.80	4.30	Ventures	2,416	4.80	4.90	4.40	4.45
No	8.25	5.50	Waite Amulet	6,351	6.85	6.75	5.80	5.80
1	.15	.08½	Wendigo	6,200	.09	.09	.08½	.08½
No	.01½	.00½	White Eagle	......	(.01 bid	.01½ asked)		
1	.05	.01½	Whitewater Mines	......	(.02½ bid	.... asked)		
1	.08½	.02½	Wiltsey Coughlan	8,515	.03½	.03½	.02½	.02½
1	.19	.08½	Wood Cadillac	13,600	.13	.12	.10	.10
No	8.90	7.30	Wright-Hargreaves	11,700	8.00	8.05	7.85	7.95
No	.09	.04½	Ymir Girl	700	.05	.06	.04½	.04½

Oil Stocks

Par Val.	Range 1939 High	Low	Company	Sales	Close Aug. 14 (or last)	High for week	Low for week	Close Aug. 21
No	.09½	.04	Acme Gas & Oil	500	.06	.04½	.04½	.04½
1	.30	.10	Alta Pac. Cons.	......	(.11½ bid	.... asked)		
1	.30	.15	Ajax	500	.15	.15½	.15½	.15½
No	1.52	.75	Anglo Canadian	11,500	.90	.90	.75	.78
No	.15½	.09	Anaconda	......	(.05½ bid	.07½ asked)		
No	.21½	.07	Br. Dominion	2,500	.13	.11	.09½	.10
No	.33	.16	Brown Oil	5,475	.20	.23	.16	.16
100	65.00	48.00	Do., pref.	......	(65.00 bid	.... asked)		
No	2.80	1.60	Calgary & Ed.	7,900	1.90	1.95	1.60	1.65
1	.65	.28	Calmont	2,700	.31	.30	.28	.29
No	.55	.31	Commoil	100	.35	.34½	.34½	.34½
No	.36	.21	Common Pete	1,000	.26	.25½	.25½	.25½
No	.75	.33	Dalhousie	4,350	.37	.39	.33	.35
No	.60	.23	Davies Pete	9,275	.26½	.26½	.23	.25
No	.13	.05	East Crest	2,500	.05½	.05½	.05	.05
25c.	.13	.07	Firestone Pete	1,005	.07½	.08½	.07	.07
No	1.45	.45	Foothills	2,100	.55	.52	.45	.45
25c.	.14½	.08½	Foundation Pete	3,400	.09	.10	.06½	.07
50c.	.06½	.06½	Grease Creek Pete	2,000	.....	.06½	.06½	.06½
No	.20	.10	Hargal	......	(.17 Aug. 3)			
No	.25	.11½	High Sarcee	2,300	.16	.15	.11½	.11½
No	3.75	1.57	Home	35,085	2.15	2.15	1.57	1.68
1	.26½	.06	Homestead O. & G.	13,600	.10	.08½	.06	.06
No	.23	.09	McD. Segur	200	.12½	.11	.11	.11
No	.07	.03	Merland	1,000	.03	.03½	.03½	.03½
1	.48	.25	Model	1,000	.26	.25	.25	.25
25c.	.12½	.07	Monarch Royalties	1,300	.07½	.07½	.07	.07
1	.13	.04½	Nordon	500	.05	.05	.05	.05
No	.03½	.01½	Oil Selections	......	(.02 bid	.02½ asked)		
No	1.73	.72	Okalta	5,700	.92	.95	.72	.75
No	.02½	.01	Olga Gas & Oil	1,000	.01½	.01½	.01½	.01½
No	.12	.03½	Pacalta	4,000	.04½	.04	.03½	.03½
No	.30	.25	Petrol Oil & Gas	......	(.25 bid	.35 asked)		
25c.	.25	.17	Prairie Royalties	1,000	.21½	.22½	.21	.21
No	45.63	31.00	Royalite	643	34.00	34.00	31.00	31.00
No	.75	.29	South West Pete	1,000	.35	.30	.30	.30
No	.11½	.04	South End	......	(.02½ bid	.... asked)		
No	1.30	.50	Texas Can.	3,350	.70	.71	.60	.65
No	.15¾	.07	United Oils	500	.08	.08½	.08½	.08½
1	1.00	.45	Vulcan	......	(.45 bid	.... asked)		
No	.08½	.04	West Flank	9,500	.04	.04½	.04½	.04½

Vancouver Stocks

Par Val.	Range 1939 High	Low	Company	Sales	Close Aug. 14 (or last)	High for week	Low for week	Close Aug. 21
1	.30	.10	Big Missouri	2,500	.12½	.13	.12	.12
25c.	.01½	.01½	Bluebird	......	(.01½ Apr. 6)			
No	12.50	9.50	Bralorne	4,185	11.25	11.30	10.00	10.00
1	.03½	.02	Bridge River Cons.	500	.02	.02	.02	.02
1	2.40	2.01	Cariboo Gold	1,650	2.20	2.18	2.05	2.05
No	.06½	.02	Dentonia	2,500	.02½	.02½	.02½	.02½
No	.07	.02½	Fairview Amal.	8,000	.03½	.03	.03	.03
1	.01½	.00½	Federal Gold	......	(.00½ bid	.... asked)		
1	.33	.20	George Copper	......	(.16 bid	.... asked)		
1	.06	.03	Golconda	500	.05½	.04½	.04½	.04½
50c.	.62	.24	Gold Belt	3,600	.30	.32	.30	.30
50c.	.08½	.03½	Grandview	......	(.04½ bid	.... asked)		
1	.03½	.01½	Grull Wihksne	......	(.01½ bid	.... asked)		
1	1.54	.69	Hedley Mascot	11,950	.77	.77	.69	.69
No	.01	.00½	Home Gold	4,000	.00½	.00½	.00½	.00½
1	.01½	.00½	Indian Mines	......	(.00½ bid	.01½ asked)		
50c.	1.40	1.00	Island Mountain	1,100	1.06	1.05	1.00	1.01
1	.34	.27	Inter'tl Coal	......	(.32 bid	.... asked)		
50c.	1.55	.61	Kootenay Belle	4,200	.80	.78	.74	.74
10c.	.03	.01	Lucky Jim	9,000	.01½	.01½	.01½	.01½
No	.02	.00½	Mak Siccar	......	(.00½ bid	.... asked)		
10c.	.33	.28	Metaline Mining	......	(.30 bid	.... asked)		
1	.23	.21	McGillivray Creek	......	(.20 bid	.... asked)		
No	.03	.01½	Minto Mines	500	.01½	.01½	.01½	.01½
5c.	.04½	.02	Nicola	13,000	.02½	.02½	.02½	.02½
50c.	.04½	.01	Noble Five	3,000	.01½	.01½	.01½	.01½
1	.22	.10	Pacific Nickel	......	(.13 bid	.15 asked)		
1	1.90	1.24	Pend Oreille	1,200	1.49	1.40	1.30	1.30
No	.00½	.00½	Pilot Gold	1,000	.00½	.00½	.00½	.00½
1	2.70	2.28	Pioneer Gold	1,425	2.50	2.48	2.35	2.35
50c.	.03	.00½	Porter Idaho	5,000	.01½	.02	.02	.02
No	.01½	.00½	Premier Border	1,000	.00½	.00½	.00½	.00½
1	2.40	1.71	Premier Gold	3,275	1.86	1.88	1.72	1.72
No	1.45	1.00	Privateer Mines	13,750	1.13	1.17	1.00	1.02
1	.04	.02	Quatsino Copper	4,000	.02½	.02½	.02½	.02½
50c.	.01½	.01½	Red Hawk	......	(.01½ Feb. 11)			
1	.32	.18	Reeves Macdonald	......	(.23 Aug. 9)			
1	.15½	.09	Relief Arlington	9,700	.14	.13½	.12½	.12½
1	.58	.22	Reno Gold	12,000	.48	.47	.39	.39½
1	.06	.01½	Reward Mining	34,500	.01½	.01½	.01½	.01½
1	.01½	.00½	Rufus Argenta	......	(.00½ bid	.01 asked)		
1	.09	.02	Sally Mines	1,000	.03	.03½	.03½	.03½
50c.	.12	.03	Salmon Gold	2,000	.03½	.03½	.03½	.03½
50c.	1.25	.91	Sheep Creek	6,200	1.20	1.20	1.09	1.09
1	1.85	1.20	Silbak Premier	300	1.20	1.28	1.20	1.20
No	.02	.00½	Silver Crest	......	(.00½ bid	.... asked)		
1	.15	.08	Sunloch	......	(.08 Mar. 3)			
50c.	.27	.13	Surf Inlet	......	(.16 bid	.19 asked)		
No	.06½	.02½	Taylor Bridge	......	(.05 bid	.06 asked)		
No	.06½	.02½	Vidette Gold	......	(.... bid	.06 asked)		
50c.	.00¾	.00½	Waverley Tangier	10,000	.00½	.00½	.00½	.00½
20c.	.02	.00¾	Wellington	......	(.00¾ bid	.... asked)		
50c.	.01½	.00½	Wesko	......	(.00½ bid	.00¾ asked)		
1	.04½	.01½	Whitewater	6,000	.03	.03	.03	.03
No	.08	.03½	Ymir Yankee Girl	......	(.04 bid	.... asked)		

Oil Quotations

Par Val.	Range 1939 High	Low	Company	Sales	Close Aug. 14 (or last)	High for week	Low for week	Close Aug. 21
1	.30	.13	Alta. Pac. Cons.	......	(.13 bid	.15 asked)		
1	.01	.00½	Amalgamated	13,000	.00½	.00¾	.00½	.00½
No	1.52	.78	Anglo Canadian	1,000	.88	.88	.78	.78
No	.16	.06½	Anaconda	4,000	.07	.07	.06½	.06½
No	.08	.06	Associated Oil	......	(.06 Mar. 28)			
No	.04	.01	Baltac	......	(.01½ bid	.02½ asked)		
No	.19½	.06	Brit. Dominion	700	.11½	.11½	.11½	.11½
No	.33	.18	Brown Oil	1,100	.21½	.21	.18	.19
No	2.75	1.86	Calgary & Ed.	1,100	1.87	1.90	1.65	1.65
1	.64	.28	Calmont	......	(.28 bid	.... asked)		
No	.58	.31	Commoil	1,000	.33	.35	.31	.31
1	.36	.22½	Commonwealth	1,200	.26	.26	.24	.24
No	.68	.34	Dalhousie	1,600	.40	.36	.35	.35
No	.59	.24	Davies Pete	1,000	.31	.25	.24	.24
No	.12	.06	East Crest	......	(.05 bid	.... asked)		
No	.21½	.21	Extension	5,300	.....	.21½	.21	.21½
25c.	.13	.07	Firestone	1,700	.07½	.07½	.07½	.07½
No	1.40	.55	Foothills	900	.55	.55	.55	.55
No	.17½	.02	Freehold	8,200	.03	.03½	.03	.03
25c.	.13	.09	Foundation Pete	......	(.10 June 22)			
No	.15½	.08½	Four Star	2,000	.13½	.12	.12	.12
No	.20	.08½	Hargal	1,500	.19	.20	.19	.19
No	.35	.15	High Sarcee	......	(.12 bid	.... asked)		
No	3.75	1.65	Home Oil	3,800	2.15	2.12	1.65	1.70
No	.07½	.02	Madison	1,000	.03	.02½	.02½	.02½
No	.09	.04	Marjon Oil	15,500	.04	.04½	.04	.04
No	.22½	.11½	McD. Segur Ex.	5,100	.11½	.12	.11½	.11½
No	.22	.12	McLeod	......	(.12 May 19)			
No	.13	.05½	Mercury	2,800	.06½	.06½	.06	.06½
No	.07½	.03½	Mill City Oil	4,500	.05½	.05½	.05	.05
No	.05½	.04½	Midwest Pete	......	(.02½ bid	.... asked)		
1	.49	.24	Model	1,900	.25	.25	.24	.24
25c	.11	.07	Monarch Royal	200	.07½	.07	.07	.07
25c	.16½	.08	National Pete	......	(.11 July 29)			
1	.12	.05	Nordon	......	(.05 July 7)			
No	2.00	.75	Okalta	1,900	.94	.92	.75	.75
No	.12	.04	Pacalta Oil	2,500	.04½	.04½	.04	.04
25c.	.24½	.18	Prairie Royal	......	(.18½ bid	.24½ asked)		
No	45.00	32.50	Royalite	100	35.00	33.50	33.50	33.50
No	.22	.15½	Royal Canadian	11,200	.18	.18	.17	.17
No	.11½	.03	South End	......	(.... bid	.04 asked)		
No	.75	.30	Southwest Pete	......	(.37 bid	.... asked)		
1	.12	.04	Spooner	......	(.09 July 28)			
25c.	.41	.30	Sunset Oils	2,200	.40	.41	.40	.40
No	.16	.07½	United	200	.08	.08	.08	.08
No	.13	.04½	Vanalta	......	(.... bid	.06 asked)		
1	.90	.48	Vulcan	......	(.... bid	.50 asked)		
No	.07½	.05	West Flank	......	(.04½ bid	.05 asked)		

Winnipeg Stocks

(Transactions from Aug. 14 to Aug. 19)

	Sales	High for period	Low for period	Close Aug. 19
Beaver Lumber.				
Central Manitoba	3,000	.04¼	.04¼	.04¼
Franco Oils	4,550	.59	.56	.59
Flin Flon	5,500	.01¼	.01	.01
Great-West Life	10	238.00	238.00	238.00
Great Falls M. & S.	500	.04	.04	.04
Gurney Gold	3,100	.03	.02¾	.02¾
Marvel Oils	500	.02	.02	.02
Northern Trusts	10	6.00	6.00	6.00
Ore Grande	7,600	.06½	.06	.06
Rand Malartic	200	.17½	.17½	.17½
Star Lake	2,500	.00½	.00½	.00½
Rice Lake	3,500	.00⅞	.00½	.00½
Sachigo River	10	9.00	9.00	9.00
Scotia Gold	1,000	.01½	.01½	.01½
United Grain	5	6.25	6.25	6.25
Western Breweries	200	1.45	1.45	1.45
Wingold	8,500	.05	.04¾	.04¾
Winnipeg River Tin	2,000	.00½	.00½	.00½

Stocks Not Traded in During Week

	Bid	Asked
Beaver Fire	75	..
Beaver Lum., p.	90	95
Do., com.	2⅝	..
Can. Indemnity	125	..
Dom. Envelope	2	3
Do., pref.	96	98
Fed. Grain, com.	..	1.50
Do., pfd.	17	..
Home Invest.	..	13
North. Trusts	6	..
N. Can. Mtge., pf.	2½	..
North. Mtge.	1½	..
Traders Bldg.	55	..
United Grain	6¼	6½
West. Brew.	1⅜	1½
West. Grain, pf.	..	5
West. Steel	3½	5½

*Stocks more active on other exchanges not included.

Volume of Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
Aug. 22	24,500	59,600	436,000	28,083
Aug. 21	26,200	137,300	493,000	59,035
Aug. 19	8,100	27,300	203,000	41,000
Aug. 18	15,700	49,100	389,000	64,423
Aug. 17	10,200	63,100	308,000	39,155
Aug. 16	10,100	41,200	307,000	53,925

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Aug. 22, 1939

Dominion of Canada Bonds

%	Due	Bid	Ask	Approx. Yld.
1½	June '40	99½	100½	.90
4½	Sept. '40	102½	103½	1.03
1	Mar. '41	99	99¾	1.05
5	Nov. '41	106½	107½	1.70
1½	May '42	99	99¾	1.59
2	June '42	100½	101	1.62
3	Oct. '42	103	104	1.69
2½	June '43	101¾	102¾	1.74
5	Oct. '43	110½	111½	2.16
2	June '44	99½	100½	1.89
a2½	Jan. '44	101½	101¾	b1.75
4½	Oct. '44	110	111	2.23
2½	Nov. '44	101½	102½	1.99
a2½	Aug. '45	102	102½	b1.85
4	Oct. '45	106	107	b2.20
4½	Feb. '46	111	112	2.49
3½	June '49	102	103	b2.78
3½	Oct. '49	102½	103½	b2.81
3½	Nov. '51	101	102	b3.00
a5	May '52	108¾	109¾	b1.50
4	Oct. '52	106½	107½	b2.99
3	June '55	98½	99½	3.04
4½	Nov. '56	108½	110	b2.94
4½	Nov. '57	109	110½	b3.03
3	June '58	98	98¾	3.08
4½	Nov. '58	110½	111	b3.11
4½	Nov. '59	111	111¾	b3.15
a4	Oct. '60	108¾	109½	b3.01
a3½	Jan. '61	103	104	b2.94
3½	June '66	100½	101½	b3.13
a3e	Jan. '67	100½	101½	2.93
a3e	Nov. '68	99½	100½	2.98
†3	Perpet'l.	92½	93½	3.21

Dominion Guaranteed Bonds

Can. Nat'l. Railways:

%	Due	Bid	Ask	Approx. Yld.
2	Feb. '43	99½	100½	1.85
2½	Jan. '46	97¾	98¾	2.46
3	May '44	103½	104½	2.05
3	Dec. '50	98½	99½	3.05
3	Feb. '53	98	99	3.09
3	Jan. '59	97½	98½	3.10
*4½	Sept. '51	113	114	3.09
*4½	Feb. '56	114	115	3.31
c4½	July '57	114	115	3.38
*4½	June '55	116	117	3.37
5	Feb. '54	117½	118½	3.39
*5	July '69	113½	114½	b2.75
*5	Oct. '69	117½	118½	b3.33
*5	Feb. '70	117	118	b3.35

Provincial Gov't. Bonds

%	Due	Bid	Ask	Approx. Yld.
	New Brunswick:			
3	Oct. '51	93	94½	3.54
3½	Aug. '49	94½	96½	3.87
3½	June '56	96½	98½	3.62
c4	Nov. '47	101½	103½	b3.37
c4½	Apr. '61	106	108	3.95
c5	Jan. '60	111½	113½	4.02
	Nova Scotia:			
3	Jan. '52	97	98	3.19
3½	June '56	98½	99½	3.28
3½	Nov. '50	100	101½	3.34
c4½	Sept. '52	108	109½	b3.15
c4½	Nov. '60	110½	112	3.68
c5	Mar. '60	117	118½	3.70
	Ontario:			
2½	May '45	100	101	2.31
3	Apr. '48	99	100	3.00
3	Nov. '50	98½	99½	3.05
3½	Nov. '51	100½	102	b3.05
*4	June '62	108	110	3.37
4½	June '50	110½	112	3.19
*4½	Jan. '62	113	115	3.53
5	Oct. '48	111	112½	3.39
*5	Dec. '60	119½	121½	3.56
5½	July '46	111½	113½	3.27
	Ont. Hydro Commission:			
3	Aug. '48	98½	100	3.00
3½	Feb. '53	99½	101	b3.15
3½	Apr. '47	101½	103	3.06
	Prince Edward Island:			
3	Oct. '45	99½	101	2.82
	Quebec:			
3	Nov. '47	96	97½	3.34
3	Nov. '51	94	95½	3.44
3½	Mar. '48	97	98½	3.45
3½	June '52	96	97½	3.49
4	Mar. '52	102½	104	3.60
4½	Aug. '58	106	107½	3.89
4½	Jan. '63	108	110	3.86
	Alberta:			
4	Dec. '54	59½	63¾	d
4½	Oct. '51	63	67	d
c4½	Oct. '56	61	65	d
*5	Oct. '59	63¾	67¾	d
c5½	Apr. '52	64	68	d
6	Mar. '47	67½	71½	d
	British Columbia:			
c4	Dec. '57	99½	102½	3.83
*4½	Jan. '51	102¾	105½	3.86
c4½	Oct. '53	102¾	105¾	3.98
c5	Apr. '54	105	108	4.27
5½	Feb. '45	104½	107½	3.99
6	Feb. '47	107	110	4.41
	Manitoba:			
c4	Dec. '57	86	90	4.82
c4½	Dec. '56	90	94	5.01
*5	Dec. '59	94	98	5.16
5½	Oct. '55	95	99	5.39
6	Apr. '47	99	103	5.51
	Saskatchewan:			
4	Sept. '54	64	68	7.80
4	Nov. '60	63	67	6.98
c4½	Oct. '51	77	81	6.78
c4½	Mar. '60	69	73	7.00
5	Aug. '58	76½	80½	6.85
5½	Oct. '52	79	83	7.54
6	Mar. '52	81	85	7.91

*Payable Can., N.Y. & £. b-Calculated to call date giving lowest possible yield. c-Payable Can. & N.Y. a-Payable N.Y. †Callable on or after Sept. 15, 1966. d-Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e-Callable at a premium.

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

August 22, 1939

	Bid	Ask.
Industrials:		
Acme Farm., p.	12	14
Andian National	30	32
Anglo C. Tel., A	8½	9
Barrymore, pfd.	20	..
B. C. Pulp, c.	6	7
Do., pfd.	20	..
B. C. Sugar	80	82
Burns & Co., A	3	3¾
Do., B	⅞	1½
Canada Tea, pf.	21	25
Can. Co-op. W'l.	7	..
Can. G'drich, c.	1½	..
C. I. L., A c.	212	..
Can. Ing. Rand	120	125
Can. Tube, 1st p.	57	62
Chase, A. W., p.	25¾	26½
Claude Neon, p.	6½	7½
Cons. Sales, B p.	..	79
Cope. Flour Unit	6¾	7½
Dom. Wooll's, p.	⅞	1½
Dunlop Tire, p.	22½	23½
Easy Washing, p.	..	8½
Fed. Grain, pfd.	19	21
Do., com.	⅞	1
Goderich Elev.	6½	6¾
Guard. Realty, p	15	17
Guelph Carp., p.	100½	102½
Do., com.	10	11½
Hayes Steel, c.	14	15½
Do., pfd. ($10)	9¾	10½
Hi'land Dairy, p.	73½	..
Do., com.	2½	..
Kingston Sh. un.	11½	12½
Loblaw Inc., c.	10¾	10¾
M'row Screw, p.	97	101
Mt. Royal H., p.	2½	3
Neilson, Wm., c.	9	..
Do., pfd.	103	..
N. B. Tel., c.	12½	13½
N. Meth. Ldy., p.	58	..
Office Spec., p.	70	..
Ont. Tob., pfd.	22	..
Paterson Wm., p.	104	..
Prov. Paper, pfd.	101½	102½
Reliance Gr., pf.	28	31
Robertson, pfd.	88	..
Rob. Cons. Cone	9	9½
Ruddy, E. L., p.	28	30
Seal O Sac (Can)	3½	4½
Stand. Fuel, c.	2	2½
Do., pref.	47	51
Stedman Br., pf.	56	57
Tor. Carpet, c.	18	22
Do., pfd.	53	56
Un. F. Co-op.	2¾	2¾
Un. Steel, A pf.	20½	21¾
Viceroy, p., rts.	23	24
West. Grain, pf.	3	5
West. Steel, c.	3½	5½
Weston Hold.	6	6¾
Trusts & Loan Stocks:		
Brit. Mtge.	152	..
Com. Fin., c.	2¾	3½
Guaranty Tr.	96	..
Guelph & C., $50	53	55½
Lambton Loan	31	34¾
London & West.	39	41½
Sherbrooke Tr.	120	..
Sterling Trust	52	60
Traders Fin. B c.	12	13
Do., A pfd.	84	..
Trusts & Guar.	27	28
Waterloo Trust	99	..
Insurance Stocks:		
Canada Life	480	490
Confed., 30% pd.	153	156
Crown, fully pd.	260	..
Dominion Fire	136	..
D. of Can. Gen.	120	125
Empire, 25% pd.	8	9
Excelsior Life	60	64
Fed. F., 25% pd.	50	53
Great-West Life	240	250
Halifax Fire	21	22
Imperial Life	315	330
Manufac. Life	244	248
Monarch 10% pd	22½	24
Sov. L., 25% pd.	12½	..
Sun Life	380	400
Tor. General	5½	6½
Western Assce.	50½	51½
Theatre Stocks:		
Allens, King., pf.	64	67
Do., Lond., p.	53	58
Do., St. Cath. p	52	56
Do., Tor., p. c.	34	37½
Loew's Lond., p.	3	3¾
Mansf. Theat., p.	30	34
Midland Prop., p	3½	..
Para., Kitch., p.	53	..
Do., Oshawa, c	11½	13
Investment Trust Shares:		
Can. Investors	5½	7
Deb. & Sec., pf.	70	..
Inv. Found. Unit	53	55½
Sec.s. Hold., pf.	18	19
United Corp., A	21	22
Do., B	5½	6
Power Issues:		
Can. W. N. Gas	25	..
Do., pfd.	97	99
Int. Util., 1.75 p.	15	18
Do., 3.50 pfd.	34½	37
Gt. Lakes Pr., p.	101	103
Mtl. Is. Pwr., p.	20	..
Nor. Ont. Pr., p.	95	97½

Unlisted Mines

Toronto, August 22, 1939

	Bid	Ask
Addingt'n	.05	.06
Albany R	.18	.20
Amorada	.02	.03½
Anoki	.08½	.10
Arjon	.03	.03½
Armistice	.01¾	.02½
Argosy	.03½	.04½
Arno	.01½	.02
Area	.04	.04½
Athona	.04	.04½
Barb Lard	.02½	.03½
Beresford	.21	.24
Big Mastr	.02¾	.03½
Bilmac	.03	.03½
Calder Bo	.02	.03
Camlaren	.02¾	.03½
Capital Ro	.00¾	.01½
Carinor	.13	.15
Central M	.03½	.04
Cheminis	.05½	.06
Cochen'r	.44	.45
Coin Lake	.02	.03
Cont Cop	...	.10½
Cont Kirk	.06	.07
Crescent	.03½	.04
Crowsh'r'	.07	.09
Dawson	.01	.01½
Dayton	.05	.06
Delnite	.86	.90
Desants n	.19	.22
Devon	...	.08
Dona Pt	.10	.13
Donwood	...	.08
Dumico	.05½	.06½
Dunlop n	.01½	.02
E Lacoma	.01¾	.02½
Elmos	.17	.20
Faulk'n'm	.01½	.02½
Flavrian	.02	.02½
Fontana	...	.07½
Frontier	.02	.03
Galore	.05¾	.07
Gate Pat	.01¾	.02
Golden G	.14	.16
Goldside	.01	.01½
Gordon L	.01½	.02
Gorham	.01½	.02½
Hallnor	6.00	6.75
Hiawa'a	...	.95
Hislop	.01½	.02½
Hoyle n	.27	.29
Hugh PaP	.06	.08
Hutch Lk	.03½	.04
Jason	.37	.39
Jodello	.04½	.06
Keora	.03	.04
Kaw Cr'w	.01¾	.02
Kelrowe	.26	.30
Kenricia	.20	.23
Kewagam	.02½	.03½
Kiena	.14	.15
Kir Vit	.01	.01½
Kirk G'te	.03½	.04
Kirk Hunt	.00¾	.01½
Lacoma	.02	.02½
Lake Duf	.22	.25
Lake Gen	.07	.08½
Lardego	.02½	.02¾
Lw Pete	.23	.28
Lucky K	.01½	.02
Magn't C	.61	.64
Magn't L	.14	.16
Martin B	.05	.06
Martin M	...	.04
Margaret	.15	.16
Mata Can	.04	.05
Melba	.03¾	.04½
Mof Hal n	.02½	.03
McGregor	.01	.02
McVit Kir	.00¾	.01½
Mooshla	.05	.06
Mosher	.10	.12
Mylamaq	.02½	.03½
Nat Mal	.17	.20
Negus	.70	.75
New Aug	...	.18
New Rib	.03	.03½
Nickel O	.70	.80
Norbeau	.40	.50
Norlake	.01	.02
Oklend	.06½	.07½
O'Leary	.02½	.03
Opemiska	.06½	.07½
Oriole	.01¾	.02½
Orpit	.04	.05½
Ossian	.02½	.03
Pascalis	...	.32
Payore	.01¾	.02½
Porc Lke	...	.05
Planet	.02½	.03
Pontiac	.08	.10
Pelangio	.01½	.02½
Polaris	.43	.44
Private'r	1.02	1.07
Propri'y	1.80	1.85
Presdor	.04½	.05
Queb Mn	.08	.10
Rand Ml	.13	.15
Red LGS	.01½	.02
Rhyolite	.02½	.03
Rose Gold	.06½	.07½
Rouyn R	.00¾	.01
Sachigo	7.00	7.75
Shenango	.06	.06½
Sheldon	.05	.06½
Siscoe E	.01½	.02½
Skynner	.08	.09
Smelter	.02¾	.03½
Spooner	.05	.06½
Steep Rk	.75	.85
Sunbeam	.06	.08
Sun Bear	.00¾	.01½
Surf Inlet	.16	.18
Springer	.07	.09
Thomp L	.24	.26
Tonawa'a	.01	.01½
Union Mn	.06	.07
Up Cana	.48	.50
Walker P	.02	.02½
Wesley	.01½	.02
Wells LL	.15	.17
Westw'd	.02	.03
Winoga cum rts	.05	.06
Woco	.13½	.14½
YDavid'n	.26½	.28

Montreal, August 22, 1939

	Bid	Ask
Abbeyv'e	.04	.05
Brown B	.01	.02
Chibmac	.01½	.03
Demp'y	.01	.02
L Lag'n	.03	.05
L Rowan	.07	.07½
Leroy	..	.01
Louvre	..	.02
Obalski	.05	.06
Pan Can	.03	.04
Routh'r C	..	.03
Tiblem't I	.02	.03
Valdor M	..	.05
Warren'c	..	.05

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

August 22, 1939

Public Utility Issues:	Int. Rate %	Due	Bid Aug. 22	Asked Aug. 22	Bid Aug. 15
†Assoc. Tel. & T.	5½	'55	76	79	78½
Beauharnois P.	5	'78	99	102	101
B. C. Power	4½	'60	102	105	103
B. C. Tel.	4½	'61	107½	110½	107½
†Calgary Pwr.	5	'60	104	107	104½
Do.	5	'64	103½	106½	104
†Can. Nor. Pwr.	5	'53	102	105	102
*Dom. Gas & El.	6½	'45	94	97	97
Gatineau Pwr.	5	'49	102½	105½	103½
Do., A	3¾	'69	99	102	99½
Gt. Lakes Pwr.	4½	'56	100	103	100½
*Int. Hydro-E.	6	'44	80½	83½	85
▲Inter. Power	6	'55	101½	104½	101
Macl'n-Que. Pr.	4	'59	97	100	98
Mtl. L. H. & P.	3½	'56	103½	106½	104
Do.	3½	'73	101	104	101½
†Mtl. Tramways	5	'41	98	101	98½
†Do.	5	'55	68½	71½	69½
Nat. Lt. & Pwr.	6	'49	97½	100½	98
N. S. Lt. Pr.	4	'57	101½	104½	103
Ottawa H. & P.	4	'57	104	107	104
Ottawa V. Pwr.	5	'59	103	106	103½
†Power Corp.	4½	'59	103	106	103
Quebec Pwr.	4	'62	103	106	104
*Saguenay P. A.	4½	'66	106	109	106
Do., B	4½	'66	105½	108½	106
Shaw. W. & Pr.	4	'61	102½	105½	103½
Union Gas	4½	'50	102½	105½	103
†United Secur.	5½	'52	64½	67½	64
†Wpg. El Ser., A	4	'65	68	71	71
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	39	42	45
Acadia Sugar	4½	'55	103	106	102½
†Alta. Pa. Grain	6	'46	89	92	89½
Atlantic Sugar	4	'51	102½	105½	102
B. A. Oil	4	'45	101	103	101
†B. C. P. & Pap.	6	'50	50	53	52
*Brown Co.	5½	'46	25	28	30
Burns & Co.	5	'58	35½	38½	36
Canada Bread.	6	'41	106	109	106
Canada Cement	4½	'51	104	107	104
Can. Paper	4½	'52	100½	103½	100½
Can. Steamship	5	'57	82½	85½	83½
Candn. Canners	4	'51	101	104	102½
*Can. Int. Paper	6	'49	86½	89½	88
†Candn. Vickers	6	'47	57	60	58½
C. P. R.	3½	'51	82	85	82
Do.	4	'49	86	89	87
Do.	4½	'44	87½	90½	88½
Do.	6	'42	100½	103½	101
Do.	4	perp	70	73	70½
†Consol. Paper	5½	'61	31½	34½	36
Dom. Coal	4½	'52	103	106	103
▲Dom. Stl. & C.	6½	'55	104	107	106
Dom. Tar	4½	'51	103	106	103½
†Donnacona P.	4½	'56	62	65	63
Famous Players	4½	'51	100	103	101
†Federal Grain.	6	'49	91	94	93
†Fraser Cos.	6	'50	89	92	89½
Gen. Stl. Wares	4½	'52	98	101	98
*Great Lakes P.	5	'55	77½	80½	79
†Gypsum, Lime	5½	'48	100	103	101
Ham. By-Pr. C.	5	'55	101	104	101
Inter-City Bak.	5½	'48	103	106	103
*Int. P.&.P. Nfld.	4½	'68	100½	103½	102
Lake St. John P. & P.	5½	'61	72	75	73
Maple Leaf M.	3	'58	60	64	61½
Massey-Harris	4½	'54	94	97	95
McColl-Front.	4½	'49	102	105	102
McCormick's	4	'52	91	94	91½
*M. & O. Paper	6	'45	21	24	24
Nat. Grocers	4	'47	101	...	101
N. S. Stl. & C.	3½	'63	81½	84½	83½
Pres. E. Dome	6	'43	102	105	102
Price Bros.	5	'57	89	92	90
*Prov. Paper	5½	'47	102	105	102½
Reliance Grain	4½	'52	84	87	84
†Restigouche Co	6	'48	78	83	..
Rolland Paper.	4½	'51	102	105	102
Simpsons Ltd.	4½	'51	100	103	101
Smith, Howard	4½	'51	103½	106½	104
†Steel of Can.	6	'40	103½	106½	104
Uchi Gold M.	6	'41	94½	97½	95
*United Gas	5½	'48	102½	105½	103
United Gr. Grs.	5	'48	96½	99½	96½
†Western Grain.	6	'49	32	35	32

*Payable in Can. or U. S.

†Payable in Can., U. S. or U. K.

▲Payable in Can. or U. K.

*Payable in U. S. only.

Mining Dividends

	Rate	Close Aug. 21	Yield %
Beattie Gold	15c	1.09	13.8
Bralorne	80c+30c	10.00	*11
Buffalo Ankerite	$1	8.50	11.8
Bulolo Gold	$3	23.00	13.0
Can. Malartic	9c	.60	15
Cariboo Gold	16c+4½c	2.00	*10.2
Central Patricia	16c+4c	2.25	*8.8
Coniagas	25c	1.60	...
Coniaurum	15c	1.41	...
Cons. Smelters	$1+$1	41.00	*4.9
Dome Mines	$2	32.50	6.2
Falconbridge	30c	5.30	5.7
Goldale	†2c	.16½	...
Gunnar Gold	6c	.44	13.6
Hedley Mascot	12c+4c	.75	*22.6
Hollinger	65c+45c	14.25	*7.7
Howey Gold	3c	.30½	...
Hudson Bay	$1.50	32.75	4.6
Inter. Mining	40c	7.00	5.7
Int. Nickel, com.	$2	46.50	4.3
Island Mountain	10c	1.02	9.8
Jack Waite	†1½	.21	...
Kerr Lake	5c	.30	10
Kirkland Lake	8c+2c	1.27	*7.9
Kootenay Belle	16c+4c	.74	...
Lamaque Gold	30c+15c	6.45	*7
Lake Shore	$4	38.63	10.4
Lava Cap M.	11c	.72	...
Leitch	8c	.73	10.9
Little Long Lac	30c	2.75	10.9
Macassa	20c+7½c	4.30	*6.4
McGillivray Coal	3c	.21	...
McKenzie Red Lake	12c	1.17	10.2
Moneta	9c	.95	...
McIntyre Porc.	$2	54.50	3.7
Noranda	$4	79.00	5.1
Nipissing	15c	1.30	...
North Empire	80c	8.90	8.9
O'Brien Gold	†10c	1.77	...
Pamour Porc.	8c	1.91	...
Pato Cons.	10c	2.20	...
Paymaster	2c	.39	...
Perron Gold	16c+1c	1.78	*9.5
Pioneer, B.C.	40c	2.35	17
Pickle Crow	40c	4.20	9.5
Placer Develop.	$1.20	13.00	9.2
Premier	12c	1.71	7
Privateer Mine	20c+2c	1.02	...
Quebec Gold	†2c	.30	...
San Antonio	14c	1.63	8.6
Sheep Creek	16c+2c	1.06	*17
Silbak Prem.	12c	1.20	10
Siscoe	12c	1.02	11.8
Sudbury Basin	5c	1.91	...
Sullivan Cons.	5c	.74	...
Sylvanite Gold	20c+5c	3.05	*8.2
Teck-Hughes	40c+5c	4.10	*10.9
Toburn	8c+6c	1.65	*8.5
Ventures	15c	4.45	...
Wright-Harg.	40c+30c	7.95	*8.8

*Yield including bonus. †Initial.

Municipal Bonds

Aug. 22, 1939

	%	Due	Bid	Ask	Yld.
†Halifax	5	1961	112.00	113.50	4.08
Hamilton	5	1950	109.25	111.25	3.75
Montreal	5	1945	98.50	100.00	5.00
Ottawa	4½	1945	105.50	107.50	3.10
†Quebec	5	1959	106.50	108.00	4.39
Saint John	5	1950	106.00	107.50	4.10
†Toronto	4½	1953	110.00	112.00	3.50
†Vancouver	5	1950	99.50	102.50	4.79
Winnipeg	5	1944	101.00	104.00	4.03

†Payable Can. and N.Y.

Investment Trusts

	Bid	Asked
Affiliated Fund	2.97	3.30
Can. Amer. Trust	3.25	3.55
Can. Inv. Fund	3.60	3.95
All Can. Trustee	11.65	12.30
Trans-Canada	...	12.15
Grouped Income	...	5.00
Can. Int. Tr., modified	5.00	5.25
Do., unmodified	4.50	5.25

Dividends Declared

	This payment	Date payable	Date of record
Agnew-Surpass	30c	Sept. 1	Aug. 15
Do., bonus	20c	Sept. 1	Aug. 15
Do., pref.	$1.75	Oct. 2	Sept. 15
Aluminum, p.	$1.50	Sept. 1	Aug. 15
Assoc. Brew.	20c	Sept. 30	Sept. 15
Do., pref.	$1.75	Oct. 2	Sept. 15
Ang. Can. Tel., A	15c	Sept. 1	Aug. 15
Asbestos Corp.	15c	Sept. 30	Sept. 15
Do., extra	15c	Sept. 30	Sept. 15
Bld.-Cort.	$1	Oct. 1	Sept. 15
Do., pref.	$1.75	Oct. 1	Sept. 15
Bank of Montreal	$2	Sept. 1	July 31
Bk. of N. Scotia	$3	Oct. 2	Sept. 15
Bank of Toronto	$2.50	Sept. 1	Aug. 15
Banque Candn. Natle	$2	Sept. 1	Aug. 15
Borden Co.	30c	Sept. 1	Aug. 15
Can. W & C., A	$1	Sept. 15	Aug. 31
Do.	$1	Dec. 15	Nov. 30
Can. W. & C. pf.	$1.62½	Sept. 15	Aug. 31
Carnation, 1st pfd.	$1.25	Oct. 2	Sept. 21
Can. & Dom. Sugar	37½c	Sept 1	Aug. 15
Can. Int. Inv. Tr., p.	50c	Sept. 1	Aug. 15
Cosmos Imp., pref.	$1.25	Oct. 14	Sept. 30
Can. Inger. Rand	$1	Sept. 5	Aug. 15
Canada Dry	50c	Sept. 15	Sept. 1
Can. Cottons	$1	Oct. 2	Sept. 15
Do., pref.	$1.50	Oct. 2	Sept. 15
Can. W. Nat. Gas, p	$1.50	Sept. 1	Aug. 15
Can. Indust., A, B	$1.75	Oct. 31	Sept. 30
Do., pref.	$1.75	Oct. 16	Sept. 30
Commoil	2½c	Aug. 29	Aug. 17
Cap. W. Cloth. p	38c	Sept. 1	Aug. 21
Chartered Trust	$1	Oct. 2	Sept. 15
Canada Cement, p	$1.25	Sept. 20	Aug. 31
Can. Perm. Mtge.	$2	Oct. 2	Sept. 15
Can. Vinegars	30c	Sept. 1	Aug. 21
Dom. Ang. Inv., p.	$1.25	Sept. 1	Aug. 15
Dom. Foundries, p	$1.50	Sept. 1	Aug. 21
Dom. Tar, pref.	$1.37½	Nov. 1	Oct. 12
Dom. Oilcloth	30c	Oct. 31	Oct. 16
Dom.-Scot. Inv. pf.	50c.	Sept. 1	Aug. 21
Electrolux	30c	Sept. 15	Aug. 15
Firestone Pete.	▲	Sept. 5	Aug. 19
Ford Motor, A, B	25c	Sept. 16	Aug. 26
Foundation Pete.	▲	Sept. 5	Aug. 19
Gatineau Pwr., c.	20c	Sept. 30	Sept. 1
Do., pref.	$1.25	Oct. 1	Sept. 1
Do., pref.	$1.37½	Oct. 1	Sept. 1
Greening Wire	15c	Oct. 2	Sept. 15
Ham. Un. Theat., p.	$1.50	Sept. 30	Aug. 31
Hollinger Cons.	5c	Sept. 9	Aug. 26
Hallnor Mines	15c.	Sept. 1	Aug. 15
Int. Nickel	50c	Sept. 30	Aug. 31
Inter. Mining	10c	Sept. 20	Aug. 31
Lake of Woods	$1.75	Sept. 1	Aug. 15
Lang J. A.	17½c	Oct. 2	Sept. 15
Loblaw Groc., A, B	25c	Sept. 1	Aug. 10
Louisiana Land	10c	Sept. 15	Sept. 1
Laura Secord	20c	Sept. 1	Aug. 15
Lava Cap G. M.	3c	Sept. 30	Sept. 19
Little Long Lac	10c	Aug. 26	Aug. 16
Loblaw Inc.	20c	Sept. 1	Aug. 15
Lake Shore Mines	$1	Sept. 15	Sept. 1
MacKinnon Steel, p	$1.75	Sept. 15	Sept. 1
Monarch Rylts.	▲	Sept. 5	Aug. 19
Montreal Loan	50c	Sept. 15	Aug. 31
McK. Red Lake	3c	Sept. 15	Sept. 1
Macassa Mines	5c	Sept. 15	Aug. 31
Do., extra	2½c	Sept. 15	Aug. 31
McIntyre Porc.	50c	Sept. 1	Aug. 1
Moore Corp., c.	40c	Oct. 2	Sept. 7
Do., pref. A & B	$1.75	Oct. 2	Sept. 7
Nat. Steel Car	50c	Oct. 14	Sept. 30
N. Meth. Ldy., p	$1.62½	Sept. 1	Aug. 21
Nat. Biscuit, pfd.	$1.75	Aug. 31	Aug. 15
N. S. Lt. & Pr., pf.	$1.50	Sept. 1	Aug. 15
Niagara Wire	25c.	Oct. 2	Sept. 15
Noranda Mines	$1.00	Sept. 15	Aug. 21
N. S. Lt. & Pr., pf.	$1.50	Sept. 1	Aug. 15
Ogilvie Flour, p.	$1.75	Sept. 1	Aug. 19
Pioneer Gold	10c	Oct. 2	Aug. 31
Perron Mines	4c.	Sept. 21	Sept. 1
Do., extra	1c.	Sept. 21	Sept. 1
Photo Engrav.	50c	Sept. 1	Aug. 15
Paton Mfg., pfd.	$1.75	Sept. 15	Aug. 31
Prairie Rylts.	▲	Sept. 5	Aug. 19
Royal Bank	$2	Sept. 1	July 31
Rolland Pap., pref.	$1.50	Sept. 1	Aug. 31
Rem. Rand pf.	$1.12½	Oct. 2	Sept. 11
Do., c	20c.	Oct. 2	Sept. 11
Smith, H. Pap. pf.	$1.50	Oct. 16	Sept. 30
Stuart, D. A., pf.	20c.	Sept. 1	Aug. 15
Sylvanite Gold	5c	Sept. 30	Aug. 19
Sec. Std. Rylts., pf.	1c	Sept. 1	Aug. 15
Sunset Oils	4c	Sept. 15	Sept. 5
Siscoe Gold	3c	Sept. 15	Aug. 26
Sundance Rylts.	2½c	Sept. 5	Aug. 22
Toburn Gold	2c	Aug. 22	July 21
Do., extra	2c	Aug. 22	July 21
Toronto Elevats., p	65½c	Sept. 7	Aug. 24
Union Gas	20c	Sept. 15	Aug. 19
Vulcan-Brown	3c	Aug. 22	Aug. 18
Walker-G. & W.	$1	Sept. 15	Aug. 25
Do., pref.	25c	Sept. 15	Aug. 25
Weston, Geo., c.	20c	Oct. 2	Sept. 15
W'minster Paper	25c	Nov. 1	Oct. 15
Wilsil	25c	Oct. 2	Sept. 15
Wr.-Hargreaves	10c	Oct. 2	Aug. 25
Do., extra	5c	Oct. 2	Aug. 25

▲Distribution from production returns; rate not yet declared.

Foreign Exchange

AT TORONTO AND MONTREAL

U. S. Dollar	High	Low
Aug. 21	1.00 1/32	1.00
Aug. 19	1.00	1.00
Aug. 18	1.00	1.00
Aug. 17	1.00	.99 31/32
Aug. 16	1.00	1.00
Aug. 15	1.00	1.00
U. K. Pound	**Closing**	**Last Year**
Aug. 21	4.68⅛	4.89⅝
Aug. 19	4.68⅛	4.89⅞
Aug. 18	4.68⅛	4.89¾
Aug. 17	4.68¼	4.90⅛
Aug. 16	4.68⅛	4.90¼
Aug. 15	4.68⅛	4.89⅜

Other Currencies, Aug. 21

Australia	3.74⅞	Italy	.0527
Belgium	.1700	Japan	.2732
Denmark	.2090	Jugoslavia	.0231
France	.0265	N. Zealand	3.78
Germany	.4014	Norway	.2355
Greece	.0087	S. Africa	4.69⅛
Holland	.5361	Sweden	.2415
Hungary	.1985	Switzerland	.2260
India	.3504	Hong Kong	.2844

DIVIDEND NOTICES

Hollinger Consolidated Gold Mines Limited

DIVIDEND NUMBER 322

A regular dividend of 1% has been declared by the Directors on the Capital Stock of the Company, payable on the 9th day of September, 1939, to shareholders of record at the close of business on the 26th day of August, 1939.

Dated the 19th day of August, 1939.

I. McIVOR,
Assistant-Treasurer.

MacKINNON STEEL Corporation Limited

DIVIDEND NOTICE

NOTICE is hereby given that a dividend of one and three quarters per cent (1¾%) has been declared on the 7% Cumulative Sinking Fund Redeemable Preferred Stock of MacKinnon Steel Corporation Limited, payable September 15th, 1939, to Shareholders of record on September 1st, 1939.

This is a payment on account of arrears of preferred dividend.

By order of the Board of Directors.

J. G. SCORER,
Secretary.

Montreal, August 18th, 1939.

CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a Dividend of TWO PER CENT. on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable

MONDAY, THE SECOND DAY OF OCTOBER

next, to Shareholders of record at the close of business on the Fifteenth day of September, 1939.

By order of the Board.

Walter F. Watkins,
Secretary.

Toronto, August 16th, 1939.

A. J. PATTISON JR. & CO. Ltd.
Established 1907
CORPORATION SECURITIES
Royal Bank — EL. 5101
TORONTO

As Others See Us . . . .

European Industries for Canada
London Free Press

The Financial Post, which has been making a review of the situation, is responsible for the statement that within the past 18 months half a hundred industries have been established in Canada by European industrialists. The largest, of course, is the Bata Shoe Company which has located near Trenton.

The Post says that several plants have been set up in British Columbia. A mill that had been idle for some time was taken over by people formerly engaged in making hardwood veneer in the Czech forests. A second B. C. sawmill project is employing 100 Canadians and plans to employ another 100 within a year and is already doing a healthy export business. A glove factory has been located at Prescott. Interesting by-products are the introduction of goat farming and the manufacture of cheese.

Some of the great industries of England were established as a result of refugees being driven out of France and Flanders. This is Canada's opportunity. It is a healthy and encouraging movement of capital and expert technicians which should be of the greatest benefit to this country. Sir Edward Beatty, who has just returned from Europe, is enthusiastic over the outlook. There will have to be restrictions to prevent location of shaky enterprises.

Terrorizing Businessmen
Victoria Colonist

The startling allegation is made by The Financial Post, in its editorial columns, that "a highly organized system of boycott is being used by the political organization of the Canadian National Railways in an endeavor to prevent open discussion of the railway problem in Canada." The editorial further states that business executives, who have publicly urged a solution to the railway problem, have received cancellations of orders from Canadian National employees, and have not been favored in C.N.R. purchases. Citing what it claims to be a specific instance, the paper says that such episodes are staged for the purpose of terrorizing businessmen into paying their government railway dues without a murmur.

The railway problem can and must be solved. With unemployment, it ranks as the most important issue of national concern. Various suggestions have been put forward. The most important of these are well known to the public, although some of the details are not fully understood; nor is the importance of these details fully realized. For this reason, in some quarters, there is apprehension lest seemingly drastic action have serious personal results. There has been some underhand work done to discredit certain proposals when the logic of them was unassailable, and political expediency has been allowed to tinge some points of view. There may have been suggestions of boycott raised at times, but it is inconceivable that such action should be taken on any organized basis. Nothing would discredit its sponsors more quickly. It would kill the objective rather than save it. Bombs of that sort can explode closer to the thrower than to the enemy.

Soaring Provincial Expenditures
Charlottetown Guardian

The Citizens' Research Bureau says that expenditures of provincial governments on current account in 1937, including direct relief, reached the huge total of $245 millions. This is reported as the highest in history.

Since then, these expenditures have gone even higher. The Financial Post estimates provincial expenditures in 1938 at $260 millions. On the basis of budget estimates they will be $275 millions in the current year.

It is interesting to compare these figures with those for 1927. Provincial expenditures in that year were $135 millions lower than the estimate for the current year. That is an increase of almost 100% in 10 years.

Too many political leaders have been unwilling to call a halt to these alarming increases in public expenditure in the belief that it was not good politics. While it is true that balanced budgets and sound public fiscal policy require the support of the man in the street, it is equally true that mass opinion can and should be influenced in that direction by the proper type of political leadership.

What Tourists Want
Fort Frances Times

Advice which has been given before and which should be heeded, is repeated by The Financial Post, which suggests to those Canadians engaged in the business of catering to tourists that there has been an increasing tendency in recent years to make Canada a sort of replica of the United States in an effort to attract U. S. tourists. The principal offenders are tourist camps, hotels and stores, which come in regular contact with tourists.

Drive along any of our main highways and you will see tourist camps displaying an abundance of American flags, and advertising American foods and American plan hotels. These business people, in an endeavor to boost their trade, have innocently hit upon a plan which will do just the opposite.

Canadians travel abroad because they want to see something different. They want the thrill of travelling in a foreign country. They want rest and respite from the humdrum activity of life in their own country. Americans come to Canada for the same purpose, and it is not pleasing to tourists from across the border to see the stars and stripes fluttering from every flagpole, and to have American meals served in every restaurant and hotel.

The best means of attracting tourists is to provide comfort together with something that is distinctively Canadian. Leo Dolan, the director of the Canadian Travel Bureau at Ottawa, has been fighting this evil for years, and as a man well versed in what tourists want, those catering to this trade will do well to heed Mr. Dolan's advice and keep their premises uniquely Canadian, and not as The Financial Post puts it: "a second hand edition of the United States."

Logic Versus Madness
Brantford Expositor

The Financial Post says that more than one third of Canada's total national income is derived from the export of goods and services. In short, trade is essential to the nation's life.

Mr. Cordell Hull, the Secretary of State for the Republic to the South, emphasizes the same thought in a signed statement in The Country Home Magazine. In reply to the question, "How shall we find peace," Mr. Hull suggests that the problem is not as bewildering as it may seem. As a farmer he says he seeks to reduce questions to their simplest and clearest forms.

Thus he finds that because of the erection of economic barriers, and because of unnecessary animosities, "mistrust and bitterness have grown up among peoples who should be good neighbors."

Mr. Hull's logic is irrefutable, but people like Von Ribbentrop and Goebbels and Goering and Hitler are less impressed by reason than impelled by their own fantastic ambitions. There is only one language they understand and that is the language of force. The utter futility of attempting honorable bargains with Germany under the sway of its present overlords has been fully demonstrated. Madmen can sometimes be cajoled and persuaded but often they can only be controlled by the method of the straight-jacket and the padded cell. Thus while Secretary Hull's solution would be practicable if all the world and its leaders were rational, the sorry fact remains that, when countries persist in the methods Germany is employing, there is no alternative but to play them at their own game.

Other People's Views . . . . .

We Need More Batas
Labor Review

Canada needs more and more capital equipment, and the possession of what she has is the chief reason for the difference of her economy from the economies of poverty-stricken oriental countries like India and China. One might add Russia, a country slowly acquiring the means to maintain its population and at the same time establishing a new Czardom.

It may be said that we have enough shoe factories. But that bald assertion would be just as reasonable and just as incapable of proof if made after a tornado had blown away half the shoe factories that are already here. As long as we want a free economy in Canada the field of industrial enterprise must be left open to all entrepreneurs who come at their own risk and abide by the rules, and the clash of private property interests must serve—with the state acting only as referee—to establish the price basis of commodities.

When we bar out new undertakings we must realize that we are effecting a change in our regime the consequences of which will be much more distasteful to the workers than any which some groups anticipate from the advent of the Batas.

The Legacy of Germany
Lord Snell, in The Spectator, London

Our affection for that older Germany—the great home of music and philosophy—is a permanent quality of our minds, and most British people, especially those who have been mentally and spiritually enriched by her scholarship, have a special desire to see dispelled the clouds that hover so menacingly above the heads of both our peoples at the present time. We feel, too, that this desire is shared by a vast number of German people, and to them I send these lines of respect and encouragement. We do not ask for identity of outlook or policy. Each nation has its own special aims and its own particular contribution to make to the common needs of the world. "There is one glory of the sun, and another glory of the moon, and another glory of the stars." We have, however, a common responsibility to help to produce a friendly and peaceful world, and our British appreciation of that other Germany which I have tried to recall is closely associated with a keen desire for an understanding friendship with the Germany of our own time.

DIVIDEND NOTICES

SISCOE GOLD MINES LIMITED

NOTICE OF DIVIDEND No. 30

NOTICE IS HEREBY GIVEN that a dividend of Three Cents (3c) per share on the issued Capital Stock of Siscoe Gold Mines Limited has been declared payable on September 15th, 1939, to shareholders of record at the close of business on the 26th day of August, 1939.

By order of the Board.

H. E. GREEN,
Secretary-Treasurer.

Montreal, August 18th, 1939.

PACIFIC POWER & WATER COMPANY LIMITED

Common Dividend No. 13

NOTICE is hereby given that the regular quarterly Dividend of Five cents per share, plus an additional dividend of five cents per share (making a total of ten cents per share), has been declared for Quarter ending August 31st, 1939. This dividend is payable on September 1, 1939, to shareholders of record August 25, 1939.

By Order of the Board,
W. T. HAYNES, Secretary.
Vancouver, B.C.,
August 16th, 1939.

Envelopes
for every purpose
Barber-Ellis of Canada, Limited
TORONTO – BRANTFORD
BRANCHES FROM COAST TO COAST

Canada Northern Income Expands

Higher Expenses Reduce Net — More Power and Customers

From Our Own Correspondent

MONTREAL. — Canada Northern Power reports gross earnings for July of $434,378. This represents an increase over the same month last year of $11,735. At the same time operating expenses increased by $21,337, leaving net earnings of $227,685, or $9,602 less than in July, 1938.

For the seven months ended last July gross earnings totalled $3,032,190, or $87,284 more than in the same period a year ago. Operating expenses advanced by $129,856, leaving net earnings at $1,591,027. This contrasts with $1,633,599 for the first seven months of 1938.

During the past month power output totalled 62,527,593 kw.h., compared with 57,520,344 kw.h. in the same month last year. Cumulative returns for the estate totalled 431,910,564 kw.h., compared with 401,570,321 kw.h. in the same period last year.

During July the company reports adding 319 customers to the business to bring the total number served to 22,721 compared with 20,760 at the end of July last year.

Asbestos Corp. Declares Bonus on Common Stock

From Our Own Correspondent

MONTREAL.—Asbestos Corporation Ltd. has declared a quarterly dividend of 15 cents a share on the new common stock, together with an extra dividend of 15 cents a share, both payable September 30, 1939, to shareholders of record September 15. Similar action was taken by the directors last May.

Week in Wheat

War-Fear Market Gain Leaves Prices Still Low

Advance Early in Week Result of Emergency Purchases by British Interests Demanding Prompt Shipments — Recession in Prospect

From Our Own Correspondent

WINNIPEG.—Sharp advances in the wheat market early in the week was the result almost entirely of eager purchasing of wheat by British interests, willing to pay higher prices to make sure of prompt shipment. Some comparatively slight volume of speculative buying came into the market, more in Chicago than in Winnipeg, as a few investors attempted to hedge prospective carry over losses.

The advance, however, still left May wheat under the 60 cent level. This was 10 cents a bushel less than the prevailing price a year ago, and by the same amount less than what appeared to be a reasonably safe guaranteed price basis when Parliament passed the Wheat Board Act last May.

War fears were thus much less powerful in advancing the market than might have been expected from the serious tone of the news. The advance left prices still so low that subsequent recession may be inevitable if alarms subside, even though prices appear to be close to possible bottom.

Argentine Might Ask More

While the political situation continues at such an acute stage little attention is paid to other market factors. One possible source of strength would be in a change of policy on the part of the Argentine Wheat Board. The latter is offering at prices about 20 cents below Canadian delivered in Liverpool.

Now, however, that the export subsidy plan of the United States Government is in operation, dark red winter wheat from that country is being offered in Liverpool still more cheaply than Argentine wheat. The price competition of those two governments might, it would seem, be carried on at a level 10 cents a bushel or so higher without actually affecting to any great extent the volume of trade.

* * *

Dislike Spreads

Some disappointment is being expressed by farmers at the price spreads announced by the Canadian Wheat Board. With No. 1 Northern 10 cents below last year's price, the price for No. 3 Northern is 11½ cents lower, and for Garnet grades 14 cents lower. Durum wheat growers, however, are pleased that the spread on their product has been narrowed, with No. 1 Durum only 8 cents below last year.

The wheat board has followed its announcement that permits to deliver wheat are not to be issued, nor sworn statements required from farmers, with an advertising campaign in western newspapers designed to secure adherence to the 5,000 bushel limit on deliveries. Most farmers with excess wheat to market are holding it back until they see whether any rise will offer in open market prices. In a few cases, however, sales of such wheat have already taken place on the open market.

Wheat deliveries have been much slowed down by heavy rainfall in Manitoba and in parts of Saskatchewan. This has delayed threshing of harvested crops.

Some damage from sprouting appears inevitable. The quantity of low grade wheat in the crop will be still further increased by frost damage during the past week to much uncut crop in Alberta.

Insulating Board Output Holding at 1938 Level

From Our Own Correspondent

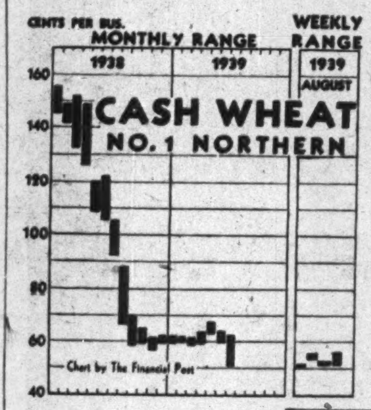
MONTREAL.—International Fibre Board Ltd., Building Products Ltd. and Donaconna Paper Co. report production of rigid insulating board during July of 4,862,322 sq. ft. This compares with 4,832,935 sq. ft. for the same month last year.

Cumulative production for the seven months ended July totalled 27,178,711 sq. ft. This is practically the same as a year ago. The principal changes in production were an increase in plaster base and decrease in roof boards.

Seven Months Ended July
(In square feet)

Type:	1939	1938
Panel	20,955,219	21,457,430
Plaster-base	3,044,426	2,502,886
Roof	1,397,916	1,813,156
Misc.	1,781,150	1,824,932
Total	27,178,711	27,598,404

Wheat Prices



(Cash Quotations)
For Week

	Aug. 22 High	Aug. 22 Low	Prev. Week High	Prev. Week Low
1 Hard	.56⅞	.52⅜	.54⅛	.51¾
1 Northern	.56⅜	.52	.53⅜	.51¼
2 Northern	.53⅛	.48⅜	.50⅛	.48
3 Northern	.49⅜	.45	.45⅞	.44
4 Northern	.46⅛	.41⅜	.42⅜	.40¼
5 Wheat	.42⅛	.37¼	.38⅜	.36¾
6 Wheat	.37⅝	.32⅞	.34⅜	.32¼
Feed Wheat	.37⅛	.32⅜	.33⅞	.31¾

Combined Export Prices:
August shipments.

	Week to	Aug. 22
No. 1 North. (Vanc.)	.73⅛	.65¾
No. 3 North. (Atlan.)	.66⅛	.60¾
No. 1 North. (Atlan.)	.71	.67¼
No. 2 North. (Atlan.)	.69½	.63⅝
U. S. Dark Winters	.58⅞	.56¼
No. 2 U. S. Red Winters	.49¾	.47½
Australian (afloat)	.56½	.53⅜
French, soft	.51¼	.51¼
Argentine Rosafe†	.52⅝	.49

†63½ lb. May.

Winnipeg Grain Futures

Week to Aug. 22, 1939

Crop year from Aug. 1, 1939 High	Low		Open Aug. 16	High for week	Low for week	Close Aug. 22	Close year ago
		Wheat					
.56¼	.50¼	Oct.	.50⅞	.56¼	.50¾	.55⅜	.67¾
.56⅝	.51⅝	Nov.	.52	.56⅝	.52	.56⅜	.67⅝
.56½	.51½	Dec.	.52	.56½	.52	.55⅛	.67¼
.59¾	.54⅞	May	.55½	.59¾	.55½	.59⅝	.70⅜
		Oats					
.28⅞	.26⅝	Oct.	.27⅛	.28⅞	.27⅛	.28⅜	.31⅛
.28	.26⅛	Dec.	.26⅛	.28	.26⅝	.27¾	.29¾
.29⅜	.27½	May	.....	.29¼	.28	.28⅞	.....
		Barley					
.36	.33½	Oct.	.33½	.35¼	.33½	.34⅛	.38¼
.36	.33	Oct. (new)	.33⅛	.35⅛	.33⅛	.33⅞	.....
.36⅜	.32¾	Dec.	.32⅞	.34½	.32¾	.33¼	.38¼
.38¾	.33¾	May	.34	.35½	.33¾	.34⅜	.39⅞
		Flax					
1.34½	1.26¼	Oct.	1.28	1.34½	1.26¼	1.31¼	1.41¼
1.29	1.23¾	Dec.	....	1.28½	1.23¾	1.27	......
		Rye					
.40	.36½	Oct.	.37⅜	.40	.36½	.38½	.40¼
.40⅞	.37½	Dec.	.37¾	.40⅞	.37½	.39	.41
.43	.40	May	.40⅛	.43	.40	.41⅜	.43⅜

Company Reports

D. A. Stuart

Sales of D. A. Stuart Oil Co. in the first half of the fiscal year ended May 31, 1939, were reduced because of the depressed condition of the metal industry, Harold A. Greene, president, states in the annual report. A sharp ascending movement occurred in Nov., 1939, and sales have since shown increases over the previous year.

Earnings were substantially reduced in the past fiscal year, with net profit totalling $18,141, compared with $30,505 in the previous year. Earnings on the 80-cent cumulative preference stock dropped to 23 cents a share from 69 cents in the preceding year.

There was $20,454 spent during the year to purchase 2,119 preference shares, which was $3,598 in excess of amount authorized to date by charter.

Income and Surplus Account
Years Ended May 31

	1939 $	1938 $
Gross earnings	47,283	63,004
Less: Depr. & taxes	12,203	15,560
Patent amort.	16,939	16,939
Net profit	18,141	30,505
Less: Pref. divds.	34,337	35,249
Loss for year	16,196	4,744
Less: Prev. surplus	53,278	57,935
Life ins. adj.	1,752	......
Inc. tax adjust.	......	87
Surplus forward	38,834	53,278
Earnings per Share:		
Pref.: Earned	$0.23	$0.69
Paid	0.80	0.80
Com.: Earned	d0.54	d0.16
Paid	nil	nil

Balance Sheet Items
As at May 31

	1939 $	1938 $
Cash	102,445	126,906
Accts. rec.	44,897	32,368
Accts. pay.	15,324	9,057
Amort. res.	50,818	33,879

Working Capital

	1939 $	1938 $
Current assets	218,466	234,376
Current liabilities	27,700	26,907
Working capital	190,766	207,469

Inter. Utilities

Moderate decline in earnings of International Utilities Corp. is reported for 1938. Net profit was equivalent to $10.92 a share on the $7 prior preferred stock, compared with $11.98 in 1937.

In the annual report, P. M. Chandler, president, states that General Water, Gas & Electric, a subsidiary, disposed of its investment in the stocks of Consolidated Water Co. during the year. If the 1937 operations of the latter company are excluded to bring about a more accurate comparison with 1938, consolidated earnings per share on the $7 prior preferred would have been $11.56 in 1937.

Balance Sheet Items at Dec. 31

	1938 $	1937 $
Cash	1,913,671	582,486
Notes & accts. rec.	1,098,990	1,318,910
Marketable secs.	3,582,228	3,280,746
Debt disct. & exp.	674,661	1,047,665
Spec. deposits	139,520	603,197
Prop., plant, franch., less res., etc.	31,152,771	36,949,163
Bank notes pay.	458,871	1,078,804
Subsid. fund. debt	18,839,789	24,296,319
Earned surplus	*417,768	2,303,216
Capital surplus	†3,465,277	346,192

* Deficit. † After making adjustments recommended by S.E.C.; earned surplus also adjusted.

Cons. Income and Surplus Account
Years Ended December 31

	1938 $	1937 $
Operating revenues:		
Water	1,759,849	2,450,957
Electric	1,179,995	1,147,589
Gas	3,473,710	3,611,071
Ice	......	64,964
Hot water	43,972	43,783
	6,457,526	7,318,364
Other income:		
Inc. of subs. sold	......	56,250
Int. and divds.	443,122	403,457
Miscellaneous	19,529	21,207
Total income	6,920,177	7,799,278
Less oper. exps.:		
Operations	2,823,488	3,000,721
Maintenance	405,362	520,716
Other than inc. taxes	596,169	677,746
Prov. for bad debts	23,044	28,640
Net earnings	3,072,114	3,571,455
Less: Prov. for deprec. and amort.	664,152	726,514
Interest (subsids.)	992,959	1,248,853
Other interest	50,056	76,114
Amort. of debt disc. & exp. of subsids.	45,614	65,690
Amort. of def. chgs., etc.	......	33,902
Income taxes	251,117	240,672
Pref. divds. of subs	442,581	459,670
Net disc. on Can. currency	4,553	......
	621,082	720,040
Less: Prop. applic. to min. int. in subs.	44,108	78,212
Net profit	•576,974	•641,828
Less appropriations:		
$7.00 prior pref.	26,764	51,026
$3.50 prior pref.	344,387	506,586
Earned surp. for year	205,803	84,216
Add: Previous earned surplus	2,303,216	2,294,088
Misc. credits	72,218	43,254
Less: Misc. debits	257,440	118,342
Adj. of earned surp.	2,741,565	......
Earned surp. forward	*417,768	2,303,216
Add, Cap. surp., as adj.	3,465,276	
Surp. from all sources	3,047,508	

* Deficit. • Exclusive of various other profits and losses amounting in all to a net loss of $87,356 in 1938 and a net profit of $628,814 in 1937, charged to other accounts.

Earnings per Share:	1938	1937
$7.00 Prior Pref.:		
Earned	$10.92	$11.98
Paid	7.00	11.00
$3.50 Prior Pref.:		
Earned	5.46	5.99
Paid	3.50	5.30
$1.75 Pref.: Earned	3.10	3.73
Class "A": Earned	1.02	1.54
Class "B": Earned	d0.18	d0.15

None paid on $1.75 preferred, class "A," or class "B."

Shares Outstanding at Dec. 31:*	1938	1937
$7.00 Prior pref.	3,342	4,079
$3.50 Prior pref.	98,979	99,017
$1.75 pref.	66,653	71,568
Class "A"	88,126	91,936
Class "B"	1,240,305	1,240,492

* Exclusive of those held in treasuries.

Working Capital

	1938	1937
Current assets	7,010,065	5,648,054
Current liabilities	2,240,012	2,931,400
Working capital	4,770,053	2,716,654
Ratio	3.13—1	1.93—1

N. M. PATERSON & COMPANY LTD.
Own and Operate
One Terminal Elevator in Fort William
109 Country Elevators
Total Storage Capacity 6,925,000 bus.
31 Vessels on the Great Lakes
Total Carrying Capacity 4,500,000 bus. per trip
Head Office: FORT WILLIAM, ONT.

DEPENDABLE
THE ALBERTA PACIFIC GRAIN Co. Ltd.
LICENSED AND BONDED WITH THE BOARD OF GRAIN COMMISSIONERS

GRAIN MERCHANTS
RECEIVERS · SHIPPERS · EXPORTERS
Over 200 Country Elevators in Western Canada
Terminal Elevator at Port Arthur
Private wires connecting Offices across Canada with New York and Chicago
Executive Offices Winnipeg
EST. 1857
JAMES RICHARDSON & SONS LIMITED

Grain Carriers Boost Rate on Wheat Traffic

From Our Own Correspondent

MONTREAL.—Canada Steamship Lines and other grain operators stand to benefit by the increase in the freight rates on wheat from the Head of the Lakes to St. Lawrence ports. For the first time this season the rate was advanced to 4 cents a bushel; this compares with 3¾ cents a bushel during the early part of July.

Shippers are reported to have taken a stronger attitude in regard to the rate structure with the flow of new wheat to the lake head now assuming larger proportion. The flow has not been particularly heavy so far and the return to the carriers has been appreciably lower than a year ago.

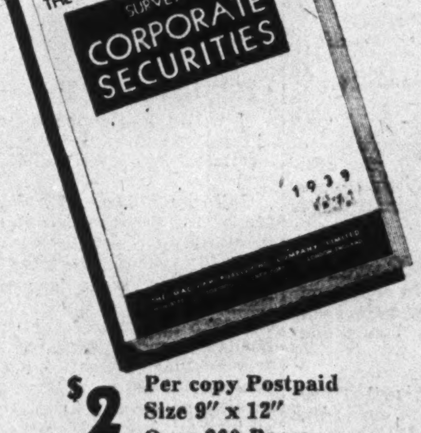
Commodity Prices

Growing concern over the European situation has kept commodity prices unsettled. The most marked development was the advance in wheat which on the latest European news moved up sharply. Sugar also was firmer. These two commodities are among those essentials which would be in greatest demand if war broke out. Declines in other commodities resulted in most of the weekly indices being lower.

	Latest week	Previous week	Same week last yr.
Cattle	$7.00	$6.65	$7.35
Hogs	8.50	8.60	10.65
Copper, lb.	.10½	.10¼	.10⅛
Cotton, lb.	.0922	.0933	.0840
Rubber, lb.	.1675	.1658	.1632
Sugar, raw, lb.	.0283	.0280	.0275
Silk, lb.	2.67	2.66½	1.73
Wheat, Man. (bu.)	.56⅜	.51⅛	.73¾
Coffee, lb.	.05⅛	.05⅛	.05½
Hides	.11	.11½	.11½
Weekly Indices			
Canada (D.B.S.)	72.1	72.3	76.6
Do., Wood, Gundy	53.7	53.9	55.1
U. S. Labor	74.8	75.1	77.9
Dow Jones (future)	47.06	47.11	47.91
Crumps (Brit.)	70.7	70.5	72.4
Fishers'	77.8	78.1	79.9
Monthly Indices			
Canada (D.B.S.):			
Retail (July)	83.1	82.9	84.2
W'sale (July)	72.6	73.3	78.6
U. S. (May)	76.2	78.1	78.7
Gt. Brit. (June)	98.1	97.8	100.7

Note: The base of indices is that 1926 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price, Toronto. Copper - electrolytic, New York. Silk — Crack db., 13-15 New York. Sugar — 96 degrees centrifugal c/f New York. Wheat—No. 1 Man. North., Ft. W.-Pt. A. basis. Hides — No. 1 packer light.



Investment Facts about more than 1,500 Companies...

1939 edition . . . contains up-to-date information on over 1,500 Canadian corporations whose securities are in the hands of the public, including those listed on Canadian stock and curb exchanges and many which are unlisted.

Because of the changes in the position of many companies at the end of their last fiscal year, the information in this book is indispensable to investors. Be on the safe side. Use it to check YOUR investments.

$2 Per copy Postpaid
Size 9" x 12"
Over 260 Pages.

The companies reviewed include Public Utilities, Banks, Rubber, Iron and Steel, Construction, Pulp and Paper, Textile, Real Estate, Oil Refining, Beverage, Amusement, Investment Trusts, Trust and Loan, Milling, Foodstuffs, Merchandising and Transportation.

IN DETAIL

Facts as to each company's business and properties.
Names of officers and directors.
Balance Sheet and Income and Surplus account for three years.
Price range of stock for past eight years.
Dividend rate and previous payments.
Capital structure and funded debt.
Funds in which bond interest payable.
Particulars of refinancing.

YOUR ORDER FORM

THE FINANCIAL POST,
481 University Avenue,
Toronto 2, Canada.

Send me postpaid .... copies of The Financial Post SURVEY OF CORPORATE SECURITIES, 1939, at $2 a copy.

Herewith $........ in payment.

NAME ....

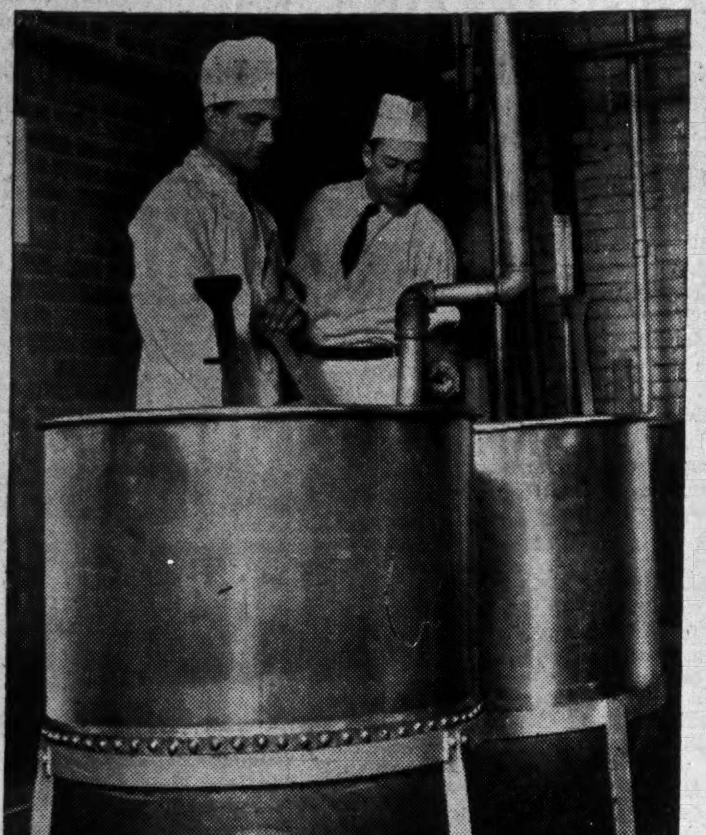
ADDRESS ....

.... 69

Canning Industry's Position Shows Improvement

Lower Production Points to Better Prices for Products

BY R. A. DRAPER
Staff Writer, The Financial Post



In the orchards and canneries of the Dominion there are many such scenes as these. Peaches are being picked from the heavily-burdened trees, processed and canned rapidly by the most modern machinery. They will be consumed domestically for the most part, but smaller quantities will find their way to the markets of the world.

Above on the right are cans of raw fruit being sealed, in preparation for cooking. At left, a great soup kettle. All photos courtesy of Canadian Canners Ltd.

Canada's $50 millions fruit and vegetable canning industry is busy processing the produce of bountiful orchards and fields of the Dominion. Smoke is pouring from the stacks of nearly 350 plants, ranging from small private concerns to large units of some of the country's big industrial corporations.

The industry is approaching its peak season. While there is activity the year round in some of the plants, by far the greatest quantities of fruits and vegetables are canned in the summer season that began in June. Until the frost is on the ground numerous crops will be preserved as they mature, with volume greatest about the middle of next month.

Raw Material in Steady Stream

A steady stream of preserved fruits and vegetables, destined for domestic consumption and for export, flows from these plants during the packing season. Commencing with asparagus, the packs progress in order to strawberries, raspberries, spinach, cherries, peas, and through a wide range, covering all fruits and vegetables grown in a moderate climate. The season will end with apples, the fruit for which Canada is especially noted.

It is apparent from the shelves of any grocery store that the canning industry has made rapid strides in the past few years. The observant customer will have noticed over a period of years the increase in lines carried by the grocer. Everything that can be put into a can is now done so. What were once considered luxuries by housewives are now commonplace provisions. Fruits and vegetables have lost much of their former relationship to seasons and canning processes have been improved to preserve the freshness and flavor of fruits and vegetables.

A Recent Development

The extent to which the average person relies upon canned foodstuffs is testimony to the progress made by the industry in the present century. The business is largely a development of this century, principally of the post-war era. Advancement has been due chiefly to advances in technical achievements, which have made the use of tins, as we know them, economical and practicable.

An increasingly urban population has facilitated the process, for the majority of city dwellers are farther than ever removed from the source of raw materials. The culinary arts have undergone simplification and the variety of foods increased greatly because of the ability to preserve and distribute.

Rising living standards have also done their part in expanding the canning industry, for as the demand grew for luxuries they became essentials and increased production brought lower costs.

Has Assured Market

Canning processes have given stimulation to trade between countries wide distances apart. Canadians can enjoy pineapples from Hawaii, apricots from Australia or anything else from afar that their palates fancy.

And there appears nothing on the horizon to impede the steady progress of the industry. Freezing or dehydrating fresh fruits and vegetables, The Financial Post is informed, is still far from being a threat.

The business of processing fruits and vegetables, while experiencing fluctuations, over a period of years has gone upward. From 1923 to 1937 the volume of preparations increased approximately 230%.

The following tabulation of the Dominion Bureau of Statistics shows the growth of the industry from 1922 to 1937, the latest figures available for the industry as a whole:

Fruit and Vegetables Preparations

Year	Cos.	Capital Invest. (in $000)	Gross production (in $000)
1922	296	24,077	23,496
1923	252	23,107	20,901
1924	266	26,875	27,048
1925	302	30,663	30,339
1926	272	33,954	30,235
1927	272	33,912	30,334
1928	278	35,968	35,314
1929	332	38,973	40,033
1930	311	46,135	43,094
1931	278	48,152	32,573
1932	258	40,587	30,035
1933	273	37,287	29,981
1934	287	39,266	35,331
1935	298	38,272	38,276
1936	304	41,572	47,337
1937	348	47,488	50,290

Recent Packs Down

Final figures have not yet been prepared for 1938, but from preliminary figures of Dominion Bureau of Statistics it is evident that the 1938 output of fruits and vegetables that the pack was lower than in 1937.

As an indication of this decrease a few of the principal products are compared below:

Pack of Canned Fruits and Vegetables

	1938 (cases)	1937 (cases)
Apples	340,482	419,493
Cherries	171,720	131,491
Peaches	433,676	472,898
Pears (Barlett)	131,395	210,905
Pears (Keiffer)	378,706	340,138
Beans	560,441	537,947
Baked beans	1,274,575	1,426,579
Corn	1,614,390	1,742,418
Peas	2,101,614	1,853,544
Tomatoes	2,375,663	3,539,693
Infant foods	239,610	292,270
Soups	2,860,342	2,419,134
Tomato juice	1,342,813	1,933,870

Now that the industry is well into the season and approaching a peak, experts are beginning to size up the packs and prospects for the year.

Price Situation

During the past couple of years, the price situation has been unfavorable. For two years production has outstripped consumption and forced selling on the part of smaller and less financially strong units has resulted. Inventories have been high and prices have been driven down by the "distress" selling. A combination of exceptionally large packs in 1937 and 1938, and a business recession in 1938 gave organizations in the business generally, unsatisfactory earnings.

Now, however, corrective factors are at work, which makes the outlook for the current year and 1940 definitely more hopeful. For one thing the vegetable and fruit packs will be much lighter this year. On this premise there will be little if any carryover into 1940. Both wholesalers and retailers have pursued a hand-to-mouth buying policy for many years. Consequently, shelves are relatively bare and will need replenishing.

In this connection, it is interesting to note that heretofore wholesalers and retailers have carried a substantial part of inventories. With this 30-day commitment policy of the latter organizations, the manufacturer is forced to take over a large part of the function formerly undertaken by the wholesaler and retailer. This necessitates larger working capitals and bank borrowing which has severely taxed the resources of the less sound organizations. On the other hand, it has on some occasions been of benefit to the companies able to finance and hold inventories.

War Possibilities

Another of the more hopeful signs is the better prospects for business, if the European situation is clarified. If the trouble flares into open conflict, it is difficult to see how prices of foodstuffs can be held at their present low levels. Good wheat crops in western Canada and consequent increased purchasing power may be added to factors on the favorable side of the balance.

It is important to note recently a slight edging forward of prices. It is believed that this movement will gain some momentum.

More important than anything else in weighing the position of companies in the industry is the size of the pack.

The industry is now well enough advanced to make a summary of the position regarding processing.

Packing of asparagus, strawberries, raspberries, cherries, spinach, peas and beans has been completed and the industry is about to launch into the preserving of tomatoes, one of the most important crops.

The previous tabulation of dollar value of crops packed indicates the variance over a period of years. Like most other industries, the canning business is subject to cycles of overproduction and weak prices, corrective measures and stronger prices. At the present time, it appears to be going into smaller production and stronger prices. It will enter 1940 with a smaller carryover and firm prices. With available fruits and vegetables and other raw materials the 1940 pack can be expected to be a bumper one, if precedent means anything.

Fancies in Foods

Size of packs of the various products is also governed to a large degree by the vacillations of fickle fancies. Popularity of fruits and vegetables unaccountably rises and falls.

In the latter class, tomato juice is an outstanding case of a product come quickly into prominence. The story has it that, 11 years ago, the Del Monte organization in California hit upon the idea of national selling when it found its workmen drinking the juice from the ordinary preparation, as an antidote to the "morning-after-the-night-before" feeling. In 1930 there were 7,000 cases of the juice canned in Canada. By 1937 the output had grown to 1,934,000 cases. This was decreased in 1938 to 1,342,813 cases because of overstocking of the retail trade in the previous year.

Apart from such rapid rises in popularity, however, corn, peas and tomatoes still lead the field. Wax beans have shown growth in recent years. Tomatoes are now the most important crop.

Production of canned fruits has also shown large variations over a period of years. Like the vegetable pack, it was at record levels in 1937, but is much smaller in value than the vegetable output.

Current Pack and Markets

It can now be stated that the pack of staples in the present year will be lower than last year, largely the result of dry weather in eastern Canada early this summer. Peas, for example, are estimated to have been reduced 50%. The tomato pack will be reduced about one third from last year and about 50% from 1937. Corn is thought to be about 30% to 40% less and prices are stiffening. These estimates are based on acreages sown. Prices for tomatoes are holding stationary, but some hope is held for a betterment from the very low depths to which they have sunk. In many cases consumers have been getting tomatoes at the cost of the raw materials alone, without labor or processing costs. This type of selling has removed some of the smaller organizations from competition this year.

Canners entered the current season with practically no carryover of peaches. There is a good crop this year and manufacturers may now go ahead and process the amount which they feel is warranted, taking into consideration the ability of the market to absorb and price levels. The pear output is not expected to reach the previous year's output, while the apple pack is usually held at more or less stable levels.

The picture would not be complete without reference to the export portion of the business. The domestic market is still the bread and butter of the industry, but the export market is increasing and there is potential room for development along that avenue.

Big Export Gains

This division of its business is showing gradual expansion. Tomatoes have been responsible for a large part of the gain. Italy's Abyssinian exploits were at least in one way of benefit to Canada, for the former country lost a part of its market in the U. K. for tomatoes during the sanctions period. Export to the U. K. of Canadian tomatoes received a tremendous fillip during this time and now comprises approximately two thirds of Canada's export of canned vegetables. Fruit products have been showing gradual gains.

The U. K. is the largest importer of canned goods in the world and Canada's part of that market is not large. By 1937 the U. K. was taking 53% of the world's exports of canned vegetables and 73% of canned fruits.

Vegetables offer the greatest opportunity for Canada in this large market, for that is one thing that Canada can produce in abundance

(Continued on page 13)

Your Investments

What We Do:

1. Give information on Canadian securities to Financial Post subscribers.
2. Publish anonymously letters of general interest.
3. Supply facts rather than opinions.

What We Don't Do:

1. Answer enquiries of non-subscribers.
2. Answer enquiries on foreign securities.
3. Reply by telephone or telegraph.
4. Select lists of securities; express opinions; or make forecasts.

Three-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. Address letters to The Financial Post, 481 University Ave., Toronto 2.

Eastern Canada Savings

Will formation of the Central Mortgage Bank have an adverse effect on a company like Eastern Canada Savings and Loan Co.?

Eastern Canada Savings and Loan enjoys a sound financial position and is a well managed company. Over a period of years it has an excellent record. Formation of the Central Mortgage Bank is not likely to have a serious effect on operations of the company or on other mortgage companies in the Maritime Provinces. The mortgage situation in Nova Scotia is much better than in many parts of the country.

Canadian Vickers

I have been offered some first mortgage bonds of Canadian Vickers Ltd. at a low price, but before buying them I would much like to have your opinion on this company.

Canadian Vickers Ltd. recently passed the interest on its first mortgage bonds and the company has under way plans for capital reorganization. Under the terms of the trust deed, the subsidy under the Dry Docks Act, amounting to $105,000 annually, is pledged as security for the bond issue. Accordingly if the bondholders demand, the payments thus received can be in turn distributed to the bondholders in the form of interest. This will give them a return of about 4% on their capital investment. On the other hand, the suggestion is now being broached that the bondholders should permit the company to use this subsidy in order to build up its working capital. Such a decision, of course, will have to be approved by the bondholders. Meanwhile the bonds are definitely a speculative purchase in view of the uncertain outlook for the company and the lack of knowledge as to the form the reorganization is likely to take.

Newfoundland Power

Please let me have a report on the Newfoundland Power Co. I am interested in the 5% bonds due 1956.

Newfoundland Light and Power Co. 5% general mortgage bonds, due 1956, are well regarded. Unfortunately the company does not publish a balance sheet nor does it give detailed figures of its income account, hence investors are handicapped in analyzing the position of this company. However, a summary of earnings issued by the company shows that in 1938 there was $300,112 available for interest charges after depreciation. This was well in excess of interest requirements. The returns, on the same basis, over a period of years show that the company has a well developed earning power and that interest charges are covered by a comfortable margin.

Lake St. John Shares

I should like to have a report on Lake St. John Power and Paper Co. What is the outlook for the preferred and common shares?

In common with other newsprint companies, Lake St. John Power & Paper Co. showed a substantial improvement in earning power and financial position during 1936 and 1937. Since then, however, there has been some deterioration. Net earnings in 1938 amounted to only $582,121 as against $1,000,984 in 1937. After cutting the depreciation provision by about 50% there was a net loss of $46,838 as against a profit of $197,680 in 1937. Interest which was due on the 5% debentures on April 1 last was not paid after consideration of the current position and the status of accounts owing by the Hearst newspaper interests. Present prospects are that earnings of Lake St. John in the current year will be somewhat larger than in 1938, but they will not equal the 1937 level. An unfavorable factor is the large amount owing from the Hearst interests.

Gatineau Power

I would like to have some information on the standing of Gatineau Power Co.'s debentures.

Gatineau Power Co. debentures are of the two types; serial debentures carrying coupons ranging from 3½% to 4¼% and the long-term debentures carrying a coupon of 5%. Ranking ahead of these debentures are $62.5 millions of first mortgage bonds and under $200,000 of 5% property purchase obligation notes. The company has a well established earning power and in 1938 reported all interest charges earned 1.16 times after depreciation and amortization charges. In each of the last six years interest charges have been covered by a comfortable margin, after setting up reserve for depreciation and depletion.

Electrolux Corp.

Would you be good enough to give me whatever up-to-date information you have respecting the Electrolux Corp.?

Electrolux Corp. formerly conducted its business through the wholly-owned subsidiary, Electrolux Inc., which manufactured and sold Electrolux cleaners and air purifiers in the United States. This subsidiary was dissolved the middle of last year and all activities are now carried on directly by the company.

Sales for 1938 were down 3% from the previous year; in 1937 sales showed a 7% increase over 1936. Net profit for 1938 declined to $2,040,922 from $2,775,498 in 1937. Earnings per share amounted to $1.65 as against $2.24 the year before. As a result, the company reduced its dividend to 30 cents a share quarterly.

For the current year, earnings have been running slightly in excess of these dividends. For the first quarter the company reported 36 cents a share, and for the second quarter 30 cents a share. Unless there is an improvement in revenues, indications are that the company may not maintain the current rate, though there is no official word on this point.

Associated Telephone

Would you be kind enough to give me your opinion of Associated Telephone and Telegraph bonds as an investment?

Associated Telephone and Telegraph bonds are suitable for a diversified portfolio. The company has always paid interest on its bonds, and interest has been earned in every year throughout the depression, except in 1932. However, the margin of earnings over interest requirements was small in 1933 and 1934. No doubt you are aware Associated Telephone & Telegraph Co. is a holding company, controlling directly and indirectly, telephone operating companies, telephone equipment, manufacturing and sales companies and other companies doing a related business. Through its subsidiaries the company operates telephone systems in British Columbia, Dominican Republic, Colombia and Philippine Islands. It also controls equipment-manufacturing companies in the United States, Canada and Belgium.

Dominion Glass

Could you tell me whether it is possible to invest in the Canadian glass industry at around par?

The only glass company in which there is a substantial public interest is the Dominion Glass Co. There is outstanding $2,600,000 of 7% cumulative preferred stock, par value $100, and $4,250,000 of common stock, par value $100. Preferred dividends have been paid regularly since the company was incorporated in 1913. Common dividends have been paid at various rates each year since 1918. During the past seven years the rate on the common stock has been 5%. The company enjoys excellent management and an established earning power. Earnings on the common stock in 1938 amounted to $8.25 a share as against $6.92 a share in 1937. The preferred stock is currently selling at $162 a share and the common stock at $114 a share. Both the preferred and common have a good investment rating.

No Obligation

An interview with one of our trust officers to discuss estates and trusts entails no obligation whatsoever on your part. It may, however, prove highly beneficial to your estate in years to come.

MONTREAL TRUST Company
Montreal Trust Building
61 Yonge Street Toronto
Toronto Office:
J. F. HOBKIRK, Manager

CANADIAN SECURITIES

Dominion and Provincial Government Bonds
Municipal Bonds
Public Utility
and
Industrial Financing

DOMINION SECURITIES CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

Laurence Smith & Company LIMITED
INVESTMENT SECURITIES
VICTORIA VANCOUVER TORONTO HAMILTON SAINT JOHN

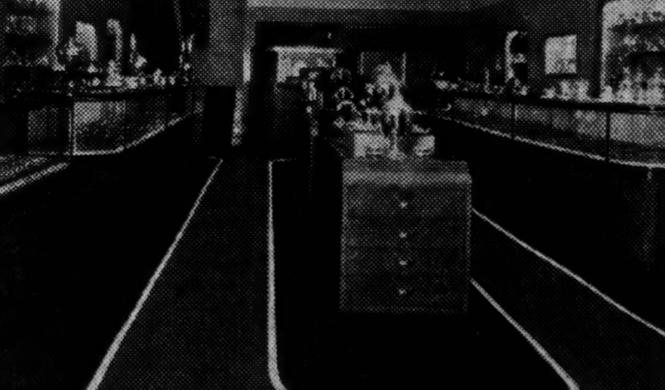
THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
Established 1870
DEPOSITS ACCEPTED DEBENTURES ISSUED
Mortgage loans on owners' homes at low rates of interest
Capital (Fully Paid), $2,000,000 Reserve Fund, $2,400,000

GENERAL STEEL WARES LIMITED

Manufacture almost every conceivable item of Metal Household Equipment from Enameled Utensils to Steel Ice Refrigerators, and

McCLARY STOVES
Also
FOOD SERVICE EQUIPMENT
For Hotels — Restaurants — Institutions
Montreal, Toronto, London, Winnipeg, Calgary, Vancouver

Support Your Credit Manager
WITH ADEQUATE TOOLS
As no single factor in your business dissipates profits as rapidly as bad debts.
Dun & Bradstreet of Canada, Limited



7 REASONS WHY DOMINION BATTLESHIP LINOLEUM floors.. ARE BETTER!

Peoples Credit Jewellers, Limited, Hamilton, Ont.

SMALL UPKEEP
Dominion Battleship Linoleum cuts janitor costs; it takes far less time and effort to keep clean. An occasional waxing is the only other care.

BEAUTY
There are no less than 11 colours for your Custom-built floor of Dominion Battleship Linoleum, with widest scope for original design.

PERMANENCE
With Dominion Battleship Linoleum, your floors are covered permanently and will carry heavy traffic for years.

QUIET
Dominion Battleship Linoleum ends the noisy clatter of boot-heels. It is resilient underfoot: sound-absorbing; shock-absorbing; a pleasure to walk on.

LOW COST
The first cost of a Dominion Battleship Linoleum floor tells the *whole* story. When considered in terms of years of wear, it is really insignificant.

EASILY INSTALLED
Any competent Flooring Contractor makes a quick, efficient job of installing a custom-built Dominion Battleship Linoleum floor with a minimum of inconvenience to you.

5 YEAR GUARANTEE
When every detail of our simple specifications is carried out, Dominion Battleship Linoleum (AAA & AA gauges) is covered by our 5-year Guarantee.

"At last I have a floor that fits the character of my business—and it cost much less than I expected." This is the reaction we've received from people installing Dominion Battleship Linoleum floors.

ASK THE MAN WHO KNOWS!

Consult your Architect or House Furnisher. Write us for copy of booklet on "The Care of Linoleum".

• DOMINION OILCLOTH & LINOLEUM CO. LIMITED, MONTREAL •

Insurance

Compulsory Insurance For Autos is Opposed

Principle of Compensation Brought Up at Insurance Superintendents' Convention — Automobile is Described as Hazard of Modern Civilization

From Our Own Correspondent

MONTREAL.—That hardy perennial, compulsory automobile insurance, was among the more important subjects coming up for discussion this week at the annual convention of the provincial superintendents of insurance here.

A report submitted by H. G. Garrett, superintendent of insurance for British Columbia, gave a summary of the experience in other countries where compulsory insurance is in operation. Appendices of the report contained representations by such bodies as the Toronto Board of Trade, Ontario Motor League, Canadian Federation of Insurance Agents, Toronto Insurance Conference, United Farmers of Ontario, and the All-Canada Fire Federation.

Most of these bodies were opposed to compulsory automobile insurance. Some indicated that no change should be made in existing financial responsibility laws until a better plan had been evolved after full investigation. The United Farmers of Ontario, however, forwarded a resolution officially passed at their annual meeting asking that insurance be made compulsory for all owners of automobiles.

Misconceptions

In his report, Mr. Garrett attempts to correct several prevalent misconceptions as to what compulsory automobile insurance does. He contends:

The belief that it has any effect in preventing accidents is erroneous.

Also erroneous is the conclusion that it means compensation covering all motor vehicle accidents.

It does, however, provide a method of compensating persons injured in motor accidents, provided that the driver or owner of the insured motor vehicle is legally liable for loss or damage sustained by others by reason of his negligence.

Hit-or-Miss Plan

In regard to the financial responsibility plan in use in Canada (except Quebec) and in many of the United States, Mr. Garrett stated that it had often been described as a hit-or-miss law, with no certainty of indemnity for an injured party. Recovery of damages, he pointed out, often depends on an action in the courts, and unless there is known insurance, any legal action is a risk.

The All-Canada Fire Federation, in its submission, argued that a weakness of compulsory automobile insurance was that if a claim is taken to the law courts, the results of the suit are always uncertain.

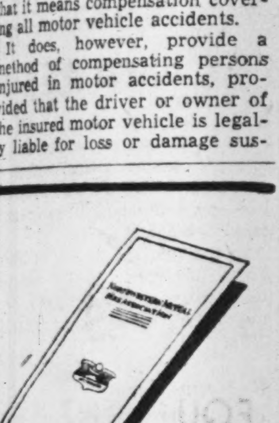
Mr. Garrett was also critical of the financial responsibility law in that it offers no protection to the victim of a motorist's first accident, being based on the principle of one dog, one bite. He was emphatically of the opinion that existing measures of protection are not sufficient.

A Modern Hazard

He reported that there is a growing opinion that the real solution of the whole question of automobile liability lay in the principle of compensation. Under this plan the automobile would be regarded as a hazard of modern civilization. According to this theory, it is inferred, an injured party would have the right to expect compensation for damages suffered under and because of modern methods of living.

Those who hold this theory, that there should be compensation for the injured party, whether there is insurance or private financial responsibility, see an analogy between the present situation as regards the motor car and the conditions which brought about workmen's compensation legislation. They suggest, Mr. Garrett stated, that disregarding the question of negligence of either the motorist or the claimant, the principle of fault should be abolished as it has been in various European countries. This plan appears to be similar to that whereby all owners or drivers of motor cars would be required to contribute to a general fund from which claims for damages would be paid.

It is expected that the report, which is more a marshalling of information on the subject than a piece of propaganda, will be forwarded to Attorneys-General and other interested government officials.



A safe FIRE INSURANCE PLAN *that saves*

The Northwestern Mutual Plan meets the first need of fire insurance — safe, sure protection backed by voluntary reserves sufficient to meet all possible future contingencies. Safe, the Plan also saves. By careful selection of risks, fire losses are less than those of the average company . . . an advantage passed on to policyholders in the form of liberal annual dividends.

NORTHWESTERN MUTUAL FIRE ASSOCIATION

Toronto, Hamilton, Ottawa, Halifax, St. John, Quebec City, Montreal, Moncton, Winnipeg, Saskatoon, Edmonton, Calgary, Kelowna, Victoria, Nanaimo, Vancouver.

The Shield of Protection

THE PORTAGE MUTUAL INSURANCE CO.
MUTUAL SERVICE WITH SECURITY

Since 1884

FIRE and WINDSTORM INSURANCE

The PORTAGE LA PRAIRIE MUTUAL INSURANCE CO.

PORTAGE LA PRAIRIE, MAN.
WINNIPEG, REGINA, EDMONTON

Insurance Problems

Commercial Travelers Mutual

What is your opinion of the Commercial Travelers Mutual Accident Association of America. Is this a good company to insure with?

Commercial Travelers Mutual is a United States company with head office at Utica, N.Y. It was established in 1883 and has been operating in Canada under Dominion license since 1933. Its head office for Canada is at Ottawa. It is licensed to write accident and sickness insurance. Total admitted assets in Canada at Dec. 31 last, were $59,915 and total liabilities $7,762 leaving a substantial surplus. Assets of the parent organization at Dec. 31 last, were over $3.4 millions. It maintains a deposit with an accepted value of $20,860 with the receiver general at Ottawa for the protection of Canadian policyholders.

The last annual report of the company showed total net income of $3.6 millions from members (including Canadian). Interest on bonds was $61,174, and other income brought the total up to $3.7 millions. Total disbursements were $3.3 millions, leaving surplus for the year carried forward of about $400,000. Total surplus after all appropriations for reserves, etc., was $1.6 million.

As a mutual fraternal association, there is a certain assessment liability involved but with this company it is limited, as set out in the certificate issued. These assessments are reduced after a member reaches 65, when benefits are reduced.

Stress Co-operation Need As Superintendents Meet

In his presidential address at the opening of the conference of provincial superintendents of insurance at Montreal this week, H. G. Garrett, superintendent of insurance for British Columbia, stressed the importance of co-operation in regard to insurance matters. He said, in part:

"Meeting competition is not good enough. Creating real constructive competition is needed. Insurance should be so widespread that to buy it should be as natural as any other shopping, and if it has to be sold it should be sold by trained instruments as merchandise is sold.

"The insurance business shares today with business in general, the consumer problem. There is a real restriction on production. Wanted is a man of vision who will lead the business in the new era which awaits this great and indispensable institution of modern society."

Fire Insurance Rates Cut in Western Canada

Fire insurance rates of practically all classes of risks have been reduced in both the Prairie Provinces and British Columbia. The move was made by the companies belonging to the Western Canada Underwriters Association at Winnipeg and the British Columbia Underwriters Association at Vancouver. The saving to property holders in Vancouver is estimated at $200,000 per annum.

The cut is a result of lower fire losses, traceable in part at least to improved methods of construction and in fire prevention methods.

Insurance Notes

K. C. Wilson has been appointed manager of the Windsor Agency of the Northern Life Assurance Company. Mr. Wilson comes from Toronto where he has had six years of successful life insurance sales experience.

* * *

The Alberta Government's new fire insurance office has been opened in the Administration Building of Edmonton. R. R. Moore is acting manager. Mr. Moore states that the branch is now accepting business, but as there is still some organization work to be completed canvassing will not be commenced until after Sept. 1.

* * *

D. G. Banting, representative of the Dominion Life Assurance Co. has been appointed district manager for North Middlesex and Huron County with headquarters at Lucan, Ont.

* * *

Almost 600 representatives of the Sun Life Assurance Co. have qualified for membership in the "Macaulay Club," the company's highest honor for top flight producers. The list of members in the club includes names from the 112 Sun Life branches, located in practically every one of the 39 countries where the company operates. Fred G. Bentrup, St. Louis, is president for 1939-40. He led the entire agency force of the company in personal production during the past 12 months. S. Mendoza, of London, Eng., West End branch was second to Mr. Bentrup. He takes the title of Club Vice-President-at-Large. New divisional vice-presidents include representatives of branches at Vancouver, Philadelphia, St. Louis, Hawaii, London (Eng.), Sourabaya (Java) and Buenos Aires. Thirteen territorial vice-presidents have also been appointed representing such countries as Canada, the United States, South Africa, India, Philippine Islands and Puerto Rico. The annual agency conference will be held at the Palm Beach Biltmore next March.

* * *

Inspection of private dwellings for fire hazards will shortly be started in certain sections of Montreal, Chief Inspector James McIsaac, of the Montreal Fire Prevention Bureau, told members of the Quebec Police and Fire Chief Association recently. Inspector McIsaac, in his talk, stated that while public buildings, commercial and industrial buildings were inspected for fire hazards, there was still no inspection of private dwellings.

Statistics recently compiled, he stated, show that preventive action is badly needed in the residential sections of the city. The inspection campaign will be carried on along with educational work as to the constant dangers to which lives and property are exposed where fire hazards exist.

* * *

Total sales of life insurance in the United States in July amounted to $506 millions against $528 millions in 1938, a decline of 4.2%. New ordinary insurance at $364.3 millions was 2.2% higher than last year. Industrial insurance showed a gain at 22.9% and group insurance was up 27.9%. For the first 12 months total new business of all classes of the 40 companies having 82% of the total business in the United States was $4.336 billions, a gain of 2.9%.

* * *

Eustace A. Brock, secretary of the Great West Life Assurance Co., has been admitted as an officer of the Grand Priory of the British Realm, General Order of the Hospital of St. John's of Jerusalem. This honor has been conferred on Mr. Brock in recognition of the special contribution he has made to the work of the order.

Municipal Finances

East York Twp., Ont., has remained $10,691 below budget for the first six months of the year, according to John Hollinger, deputy chairman of finance. Relief expenditure savings have made possible the favorable showing.

* * *

Montreal has adopted relief credit for September amounting to $921,890. Of this amount, $343,490 will be borne by the city and $578,400 by the Dominion and provincial governments.

* * *

Brandon assessment figures, to be used in fixing tax rate for 1940 will be available to the city council Dec. 31, it has been announced. New charter provides that assessment must be made and court of revision held prior to the year end. This procedure should speed up tax notices going to property owners.

* * *

Greater Vancouver Water District officials have announced that work will commence shortly on a $199,000 extension on the water main system. Work on the $100,000 sewer construction programme got under way recently.

* * *

Chilliwack, B.C., city council is considering using $4,000 provided by the Dominion and Provincial Governments for unemployment relief project to build two drainage schemes.

* * *

Kelowna, B.C. citizens have approved a by-law to raise $65,000 toward a $140,000 hospital unit. The rest of the funds is being provided by a $50,000 grant from the B. C. Government and the Kelowna Hospital Society.

* * *

Lethbridge Electric Department profit for the first half year was approximately $7,000 more than in the same period of 1938. The water works surplus dropped slightly more than $300 in the six-month period of 1939 from the corresponding period of the previous year.

* * *

Regina has at present no bank loans outstanding, compared with $500,000 at the end of July last year. This reduction has been made possible by good tax collections during the year.

* * *

Union of B. C. Municipalities is holding its annual convention Sept. 19 and 20 at Harrison Hot Springs.

Obituaries

William Hastie, general manager of the Canada Life Assurance Co., aged 52, suddenly at Toronto.

Senator F. P. O'Connor, founder and former president of Laura Secord Candy Shops Ltd., and Fanny Farmer Candy Shops, Inc., director, National Trust Co. and Maple Leaf Gardens, aged 54, at Wexford, Ont.

Hon. H. G. Carroll, former Lieutenant-Governor of Quebec and retired judge of the Quebec Superior and Appeal Courts, former president of the Soleil Publishing Co., aged 74, at Quebec, Que.

N. B. McLean, chief engineer of the department of Transport for the St. Lawrence River channel, aged 68, at Beloeil, Que.

New Advertising Director Vancouver News-Herald

R. H. Robichaud, managing director, announces appointment of Si Griffis as Advertising Director of the Vancouver News-Herald.

S. GRIFFIS

Twenty years ago Si Griffis was known as one of Canada's greatest hockey players, first coming into prominence with the famous Kenora team, 1907 Stanley Cup Winners. Even while playing hockey he worked in the newspaper field. For many years he was associated with the late R. J. Cromie, as managing director of the Vancouver Sun.

Associated with Mr. Griffis are R. L. Raycraft, in charge of retail advertising and Joe F. Price, who is to supervise the national advertising and promotional work.

Canadian Celanese Co. Plan New Boiler Room

From Our Own Correspondent

MONTREAL. — Plans are being prepared by Canadian Celanese Co. for a new $20,000 boiler room at the Drummondville plant.

Tenders will be called and it is understood that the work will be started shortly.

Banking

Bank Loans to Expand As Business Improves

Lighter Business, Lower Prices and Cash Resources of Many Firms Restrict Volume of Borrowing Compared With Predepression Years

This is the twelfth article in a series in The Financial Post reviewing the evidence presented before the House of Commons Committee on Banking and Commerce.

By D. G. MacLEAN
Staff Writer, The Financial Post

An improvement in commercial loans by the chartered banks may be expected to accompany an improvement in business, Graham F. Towers, governor of the Bank of Canada, told the House of Commons Committee on Banking and Commerce. Under these conditions, he hoped, government debts would be declining and public savings available for investment rising, so that a considerable reduction in bank's security portfolios would take place "without unduly affecting the interest rate structure." From the last part of this statement the inference is drawn that Mr. Towers does not look for any early rise in interest rates.

The present low level of bank loans compared with predepression years Mr. Towers ascribed to three causes:

The somewhat smaller volume of business.

The lower general level of prices.

The relatively liquid working capital position of many Canadian firms.

Easy Money Policy

His remarks were prompted by discussions in the committee led by W. A. Tucker, M.P., and Hon. H. H. Stevens, M.P., regarding the decline in loans, while investments had been rising. Mr. Tucker was curious as to why loans should have declined when the Bank of Canada was following an expansionist, or easy money policy, while Mr. Stevens was curious to know if part of the money which had been lent to the Government could not be liquidated and translated into commercial loans.

As regards the change that the reduction in loans was not compatible with the expansionist or easy money policy, Mr. Towers stated that the purpose of the Bank of Canada had been to bring about low money rates. The object was to enable governments, and also industry, to finance as cheaply as possible. This purpose, Mr. Towers said, had been achieved.

If banks had reduced their loans it was because of the factors which he had just noted.

Action of Banks

Mr. Tucker appeared to have in his mind that the chartered banks had helped to increase hardship by calling in loans in the depression and early post-depression years, putting the money thus obtained into Government bonds. He quoted figures to show that in those years commercial loans had decreased by millions of dollars.

This decline, however, Mr. Towers stated was not all the result of calling of loans by the banks. Much of it had been voluntary repayment. As examples, he cited the fact that the C.P.R. $60 millions loan had been liquidated by the sale of securities on the open market. He also stated that the old wheat board loans, which were very heavy when Canada accumulated her big wheat surplus some years ago, had also been liquidated. "There were various other things of the same kind. I may say that liquidations of that kind are not harmful." Mr. Towers used as a further example the newsprint industry. "If," he stated, "the newsprint industries had been operating at more or less full capacity in 1929 and on a relatively high price level, and if because of reduction in demand for newsprint abroad, their shipments were greatly curtailed, and the price very materially reduced, that, alone, as you can understand, accounts for the reduction of a great many million dollars in bank loans. That was something which was beyond the control of the banks and beyond the control of the newsprint industry. If that type of thing happened again . . . it is then that I say you would obviously and inevitably have a reduction in bank loans."

Effect on Prices

Replying to a question by S. C. Landeryou, M.P., as to whether the withdrawal of some $540 millions in commercial loans between 1930 and 1933 had had any effect on prices in Canada, Mr. Towers said that to the extent that the decrease in loans was caused by lower prices for our exports and the liquidation of stocks, obviously a decrease in loans was a result, not a cause. But to the extent that the banks had taken action to strengthen their cash position, or that there had been unnecessary liquidation of stocks, the resulting decrease in loans would be a factor acting on the price level.

Mr. Towers pointed out that in the years preceding 1929 there had been tremendous expansion in credit. This had been due to rapid turnover of money, large issues of stocks and bonds and expansion in call loans. When it was realized that the situation was unsound, prices began to fall and the whole structure built up by credit collapsed. He noted that the lending had not all been done by banks. Issues of bonds or equities, he stated, were much more important than bank loans.

Steps in the Decline

Steps in the decline were the slower movement of money and declining prices. Bank loans in many cases became impaired and a collection of these loans on a large scale took place. As far as the future was concerned, Mr. Towers stated that he did not think liquidation of loans by the banks to strengthen their cash position was likely to occur again, because through the operation of the Bank of Canada this shortage would be made good. Other factors, such as the fall in prices or a voluntary reduction by borrowers, however, he believed might again affect the volume of loans.

Bank of Canada Weekly Statement

The Bank of Canada during the week ended August 16 strengthened its reserve ratio by 1.2% to 62.3% This was effected by reduction in total deposits and an increase in the reserves of sterling and United States currencies. Investments in Dominion Government issues were down $6.3 millions, reflecting sale of these securities to meet the reduction in deposits. The resulting reduction in total assets was the first in several weeks, marking a reversal of the recent trend toward expansion. An increase of some $700,000 in note circulation reflected a stronger demand for cash.

Stocks of gold shipped to Canada for safekeeping with the Bank of Canada are estimated to have been increased about $60 millions in the last two weeks. Unofficial estimates place the amount of foreign gold now held by the central bank for foreign account at $450 millions.

Balance Sheet

	Aug. 16 1939	Aug. 9 1939
Liabilities	$	$
Capital paid-up	5,000,000	5,000,000
Notes in circ.	173,079,308	172,352,164
Rest fund	1,903,515	1,903,515
Depos.: Dominion ..	28,609,911	31,503,388
Banks	201,032,682	205,194,956
Other	8,110,790	7,128,289
Total deposits	237,753,383	243,826,633
All other liabs.	2,833,242	3,131,666
Total liabs.	420,569,446	426,213,976
Assets		
Reserve: Gold	205,159,277	205,159,277
Res. in sterling and U. S.	50,870,651	49,192,404
Other curr.	401	612
Total reserve	256,030,329	254,352,353
Subsidiary coin	420,374	419,976
Investments:		
Dom. govt. short.	107,493,768	113,339,178
Other Dom. govt.	51,648,632	52,127,129
Total invest.	159,142,400	165,466,307
Premises	1,660,436	1,659,585
All other assets	3,315,909	4,315,757
	420,569,446	426,213,978
Reserve ratio	62.31%	61.11%

Weekly Bank Clearings

	Aug. 17 1939	Change Year Ago	Aug. 10 1939
	$	%	$
Halifax	2,237,465	— 3.0	2,239,549
Saint John .	1,670,598	— 6.3	1,781,109
Moncton ...	685,140	— 2.2	614,783
Sherbrooke .	707,873	+10.3	658,564
Quebec	5,823,994	+24.6	4,317,115
Montreal ...	91,942,676	+ 2.1	101,059,155
Ottawa	13,838,209	+ 0.1	21,296,106
Kingston ...	517,242	— 0.9	534,646
Peterborough	586,711	+ 9.2	550,209
Toronto	95,090,447	+ 1.6	76,170,243
Hamilton ...	4,670,637	— 2.2	3,641,531
Kitchener ..	988,563	+ 1.8	711,058
Brantford ..	705,074	— 9.8	652,862
Chatham ...	510,443	+ 8.5	434,847
London	2,242,809	—15.6	1,807,065
Windsor	2,575,801	+ 9.4	2,071,748
Sarnia	445,123	+ 9.1	422,290
Sudbury	971,296	— 3.5	871,561
Fort William	727,121	— 4.5	624,589
Winnipeg ...	32,548,691	+37.1	27,419,190
Brandon	291,488	—15.8	297,388
Regina	2,845,028	— 1.8	2,510,937
Moose Jaw ..	527,408	— 2.4	467,849
Saskatoon ..	1,101,699	— 4.8	1,190,592
Prince Albert	302,275	+ 1.8	293,860
Edmonton ..	4,003,742	+ 5.6	3,369,693
Calgary	4,213,493	— 4.3	4,107,403
Lethbridge ..	506,601	+10.5	459,144
Medicine Hat	183,066	+ 1.8	122,580
N. W'minster	638,676	+ 4.2	623,476
Vancouver ..	16,241,621	+ 0.6	16,864,460

United States Fidelity & Guaranty Company
TORONTO

BACHELOR CIGARS
100% Havana Filler 10¢

Bank Chat

Bankers Annoyed

Norman F. Newton, Crown Attorney at London, Ont., recently fell foul of banking officials in that city when he laid the blame for the recent outbreak of bank robberies at the door of the banking institutions themselves.

Two measures advocated by Mr. Newton were:

1. A simple electrical alarm system, operated by a button at the cashier's cage, connected to a bell at the bank entrance would be a strong deterrent, to would-be hold-up men. Under such a system, people within several blocks would know immediately that a robbery was being attempted.

2. If banks were to take a record of the serial number of all bank notes handled each day, it would be a further protection as stolen notes could be traced more easily.

Banking officials stated in reply that to install a burglar alarm system of the type advocated would probably endanger the lives of the staff which were much more important than the money stolen, which is covered by insurance. In addition, the larger branches are all protected with burglar alarms which ring in police headquarters.

In regard to taking down a record of the serial numbers of bills passing through the bank every day, bankers stated that this was an impossible task. Mr. Newton's proposal was described as absurd.

* * *

The upper floor of the Sudbury branch of the Royal Bank of Canada is being converted into five suites of offices. This floor was formerly the headquarters for the manager. The work is costing about $4,000.

* * *

The Bank Directory for August reports two branches of the Canadian chartered banks closed since last report with some opened. The branches closed were that of the Canadian Bank of Commerce at Kearns, Ont., and that of the Bank of Nova Scotia at Morant Bay, Jamaica.

* * *

Monetary Expansion

Figures submitted by Graham F. Towers, governor of the Bank of Canada, to the House of Commons committee on Banking and Commerce, indicate that as far as monetary expansion is concerned, changes in Canada have been approximately in line with those in other countries, in spite of claims to the contrary. Comparing 1938 with 1926, taken as a normal predepression year, the volume of Canadian bank deposits has increased 23%. This is considerably more than the 6% shown for the United States, slightly less than the 26% in the United Kingdom and about the same as the 22% and 23% in Australia and Sweden respectively.

Changes in the price levels in Canada have also corresponded fairly closely with those of the United States and the United Kingdom. All three had about the same severe decline in 1929-32 and about the same degree of recovery following 1932, he stated. The general price levels of countries with currencies depreciated below the Canadian dollar, such as Australia and Sweden, however, have been appreciably higher than the Canadian index, though not higher by nearly the full amount of the depreciation, he added.

* * *

Money and Wealth

In the hearings before the House of Commons, Mr. Towers, on several occasions drew a distinction between money and wealth, which some of the members seemed unable to understand. G. G. McGeer, for instance, wondered why, as the Dominion Government had the power to supply the country with an abundance of money through the issue of Bank of Canada cash, "our national government, our provincial governments and our municipal governments are unable to finance the progress of the Dominion of Canada without resorting to burdensome and confiscatory taxation?" To this Mr. Towers replied: "Parliament, so far as I know, has never said that it considered money as wealth, nor has it assumed that by issuing another $10 millions of paper money the best interests of the country would be served. Should Parliament decide otherwise, Parliament will do so, no doubt."

All of which comes back to the point brought out previously by Mr. Towers, that government expenditures must in the long run be paid for by labor and materials produced.

Before You Insure Consult
Confederation Life
Association
One of the World's Great Life Insurance Institutions.
Renowned for Strength, Service and Security
Since 1871.

THE WAWANESA
Mutual Insurance Co.
Assets $2,234,188.78
Surplus 1,057,853.38
Head Office: Wawanesa, Man.
Eastern Office: Toronto, Ont.
Branches at Vancouver, Edmonton, Saskatoon, Winnipeg, Montreal and Moncton
2,000 Agents Across Canada

STOREKEEPERS' BURGLARY and ROBBERY INSURANCE

One of the many forms of protection furnished by

The CANADIAN INDEMNITY Co.
Montreal Toronto WINNIPEG Calgary Vancouver

Banking Service
1817 - 1939
BANK of NEW SOUTH WALES
Head Office: Sydney, Australia
General Manager: SIR ALFRED DAVIDSON, K.B.E.
Assets of £127 millions.
Over 900 branches in Australia, New Zealand & Pacific Islands.
London Offices at 29 Threadneedle St., E.C.2. and at 47 Berkeley Square, W.1.
Agency arrangements with Banks throughout Canada.

Automobile and General Casualty Insurance
AGENCY INQUIRIES INVITED
LUMBERMENS MUTUAL Casualty Company
VANCE C. SMITH, Chief Agent
CONCOURSE BUILDING
TORONTO
Fire and Allied Lines Written in Associated Companies

BUILDERS of CANADA

Running the "white waters" of the Fraser River.

Simon Fraser

The name of Simon Fraser, a native of Glengarry, is written boldly on the pages of the early Canadian history of the Pacific Northwest. He became a partner in the powerful North West Company and in 1805 was placed in charge of its fur trading operations beyond the Rocky Mountains. In 1809 he explored the rocky, rushing Fraser River which now bears his name.

BLAZING NEW TRAILS

SIMON FRASER'S courageous adventuring finds its modern counterpart in the industrial laboratories of today. For modern science is blazing new industrial trails continually. Moved by the common urge to develop our Dominion, this Century-old Bank is co-operating with far-sighted business men and welcomes further opportunities to serve Canadian industry and enterprise.

Coast to Coast in Canada

NEWFOUNDLAND, JAMAICA, CUBA, PUERTO RICO, DOMINICAN REPUBLIC, NEW YORK, CHICAGO, BOSTON, LONDON, ENGLAND

The BANK of NOVA SCOTIA
OVER A CENTURY OF BANKING EXPERIENCE

The Week in Mining

See Little War Buying So Far on the Market

Canadian Mining Stocks Hold Well Despite Europe—Nickel Shares Are Higher—Asbestos and Barite Possibilities Now Seen

So far Canadian stock markets reveal little inclination for war buying; acquisition of stocks, such as base metals, which would be as sure to profit from conflict as any.

The market is a voting machine; not an evaluating machine, hence recent market manoeuvres are full of interest as an index of what one large and important section of the community thinks may lie ahead politically.

Following announcement of the Nazi-Soviet alliance, London and New York markets demonstrated an apparent diversity of opinion with Canadian markets undecided. Weakened technical position of the New York market is credited with contributing to its decline in the face of the gathering European gloom. Belief that the Soviet-Nazi pact would tend to keep Britain out of war bumped the market back upward. Tending to confirm the assertions of British spokesmen that there will be no appeasement deals, and that Britain would fight for Poland, the London market declined, suggesting that financial Britain saw further reason for pessimism.

Canadian gold issues moved slightly higher, base metals remained steady, industrials were lower.

Copper Short

Germany continues to make very sizeable copper purchases both in European and American markets, one recent purchase being above the market for immediate delivery. British stocks are down to hardly a month's supply.

Commodities involved in the activities of the U. S. War Resources Board, which is already at work building up U.S. commodity resources for war, are understood to include some of the base metals.

For the present, if the European situation remains uncertain, further increases in base metal prices are not expected.

* * *

Selling More Nickel

Canadian nickel exports for the first seven months of this year were more than $2 millions greater than for the corresponding period in 1938. Official figures show exports to the end of July worth $32,315,127 against $29,998,862 in the same time last year. Exports in July totalled $4,024,565 comparable with $3,492,643 in July, 1938.

* * *

Howe Sound is a Canadian company which will benefit from the removal of the Mexican 12% export silver tax. Mining companies have long been protesting the tax. Their plea was heard with the decline of the silver price from 43 to 35 cents.

* * *

Silicosis Hope

Tests will soon start on human beings to determine result of spraying lungs with aluminum dust in the treatment and prevention of silicosis. The announcement indicates that the little group of scientists who have been at work on the new treatment for at least a year have very good reason to feel confident in the importance of their discovery.

For months Dr. J. S. Denny, the renowned metallurgist of McIntyre Porcupine Mines, Dr. W. B. Robson, McIntyre medical man, and Dr. Dudley Irwin have been doing exhaustive laboratory tests, many of them in a little room next door to Dr. Denny's office in a lean-to beside the McIntyre mill. Tests on animals there showed conclusively that aluminum dust halted silicosis in animals. Now, with the assistance of Dr. D. W. Crombie and Dr. J. L. Blaisdell, tests will be made on miners in the Porcupine camp.

* * *

"Crowding 77"

Although he admits "crowding 77 years of age," that does not deter G. W. Van Vliet, 50 years a resident of Winnipeg, from dreams of wealth to be obtained from Ontario's mines.

Mr. Van Vliet is one of a syndicate which has staked six claims in the Yellow Girl bay area, Lake of the Woods. This syndicate is named Yellow Girl Point Syndicate. Claims staked cover five or six islands in the bay. While some good showings of quartz veins carrying substantial gold values have been found, Mr. Van Vliet pins his faith on the development of asbestos deposits found on a 50-acre island. The break in which the asbestos is found traverses the island for its entire width and can be seen on reefs showing in the water.

The asbestos is amphibole variety and with fibres two to four inches long is believed to have commercial value, particularly as an insulation material. The syndicate plans immediate development.

* * *

Barite Start

Extraordinary advances in the chemical industry have given greater importance to many of the industrial minerals in which Canada so richly abounds and which, fortunately, are now getting greater attention.

Canadian Baryte Mines announces it has just made its first shipment to a New York firm, a trial order of 100 pounds from its property in the Night Hawk Lake section of the Porcupine. This was the first Canadian production in some years.

Barite is used largely in the paint and chemical industries, with some in the cheaper forms of glassware. Canadian imports are not great, around $30,000 yearly.

Barite deposits are reported in Cape Breton Island, in Quebec and northern Ontario and in British Columbia, the Ontario deposits so far having attracted the most attention.

* * *

No Doodlebug

A recent article on this page recounting the reported wonders of a new doodlebug brought a letter from Cariboo Gold Quartz stating: "We beg to advise you that at no time have we employed Mr. Redfern on our property with his ore-finding machine."

* * *

One well-known Toronto financial man is a little extra puzzled this week. Looking at the last book in the Bible he noted that the author of The Revelations declares the Mark of the Beast which is to wreak horrible things in the world was six, three score and six. Our financial man got something of a start when his short-wave radio dial showed six, three score and six as the wave length of Soviet and Nazi propaganda broadcasts.

Exports of Asbestos Rise Sharply in June

From Our Own Correspondent

MONTREAL.—Exports of asbestos in June were sharply higher than in May and in June a year ago. According to the Dominion Bureau of Statistics, exports totalled $1,725,000. This is an increase of 66.8% over the $1,034,000 of asbestos exported in the same month last year and a gain of 124.6% over the May figure.

The cumulative total for the first six months of the current year shows a minor reduction in the value of asbestos exports.

Consulting Engineers

Shoemaker & Burnham
CONSULTING ENGINEERS
Specializing in Mill Design, Metallurgy, Power and Mining Plants.
Room 1201-1207
45 Richmond St. West, Toronto, Ont.
Waverley 4466

Legal Directory

Pitblado, Hoskin, Grundy, Bennest & Drummond-Hay
Barristers, Solicitors, etc.
WINNIPEG, CANADA

LANG & MICHENER
BARRISTERS, SOLICITORS, ETC.
DANIEL W. LANG, K.C.
D. R. MICHENER C. M. RICKETTS
H. S. DAY E. B. JOLLIFFE
372 BAY STREET, TORONTO
TEL. WA. 2831
CABLE ADDRESS "LAMER"

W. M. COUPER, K.C.
Advocate, Barrister, Etc.
486 St. John St., Montreal
Tel. MArquette 3005

DAY, FERGUSON, WILSON & KELLY
BARRISTERS, SOLICITORS, Etc.
James E. Day, K.C. Thomas J. Day
Roland F. Wilson, LL.B. Arthur Kelly
H. Emerson Martin John R. Brimage
1116 FEDERAL BUILDING
85 Richmond St. W. Toronto 2

FENNELL, PORTER & DAVIS
ROBERT FENNELL, K.C. DANA H. PORTER
BRUCE P. DAVIS
BARRISTERS, SOLICITORS
Telephones ADelaide 7382-7383-7384
CABLE ADDRESS, "THIMSON."
TORONTO CANADA

Output is Cut At Privateer

But Dividends Will Continue While Lower Grade Milled

From Our Own Correspondent

VANCOUVER. — Reducing production at Privateer Mine, Zeballos, from an average of more than $106,000 a month to between $85,000 and $90,000 is planned as result of the decision to mine and mill a larger proportion of lower grade development ore.

"Experience has shown that our mill operates most efficiently at the present average of about 77 tons per day," states Secretary D. S. Tait, "and unless and until the mill is enlarged the present daily tonnage will be continued."

Mr. Tait says that the production rate of $85,000 to $90,000 will be sufficient to maintain the dividend of five cents per quarter, pay all operating and development costs, and gradually increase cash reserves.

Step Up Development

At the same time it is believed that this policy will enable the company to step up the pace of development with a view to building up still larger ore reserves.

Privateer's net cash position at the end of July, after providing for the recent seven-cent dividend and reserve for taxes, is $135,320. Cash reserve stands at $83,320 after laying aside full balance of commitment for the Prident purchase and development, and cost of new power installation.

Since the first of the year, development in the Privateer vein between the 1,100 level and surface has steadily proceeded. An ore pass just completed will release ore tied up in pillars and facilitate stoping in several areas. Stopes have been opened up on the 800, 700 and 600 levels and are proving well up to expectations.

Attack Big Block

Mining the large block of ore between the 1,100 and 1,000 levels, much the largest block in the mine, is just commencing. Conservative estimate of the developed and partly developed ore in the main vein down to the 1,100 level shows 61,616 tons of .79-ounce ore. Grade will be raised by sorting to an approximate mill head grade of 1.1 ounces. This ore in the main vein above the 1,100 level, with development ore, is said sufficient to keep the mill operating at capacity for upward of two years.

Milling Help To McVittie

Annual Report Shows Little Improvement For 1938

Net income of McVittie-Graham Mines Ltd. for the year ended Dec. 31, 1938, was $7,551, the annual report released this week reveals. This compares with $9,539 net income for the previous year.

Potentially important for McVittie is the start of milling at Mount Zeballos in which it indirectly owns a substantial share interest. McVittie owns 419,360 shares, about one third of the shares issued, in Conwest Exploration Co. which owns half the issued capital of Mount Zeballos.

The Mount Zeballos mill is 35 ton capacity and was financed by a $100,000 loan from Conwest repayable out of first earnings.

Willow Creek Results

Willow Creek Mines, controlled by Conwest, holds the Lucky Shot Mines, War Baby Mine, Gold Bullion Mine and Gold Top and Grey Eagle claims, the latter under option. From June 1, 1938, to May 31, 1939, 6,118 tons of ore from the Lucky Shot were milled, 4,302.5 ounces gold being recovered, an average of .703 ounces per ton. Mill is currently treating 30 tons daily, but will shortly be increased to 40 tons. Small part of tonnage milled came from War Baby Mine. These properties are in Alaska.

Shaver-McGarry Gold Mines was wound up and assets distributed, McVittie receiving 41,934 shares of Chesterville Larder Lake and $1,820 cash. Far East Alluvials, which abandoned its options in New Guinea, is to be liquidated at an early date.

Income and Expenditure Account
Years Ended December 31

	1938	1937
	$	$
Income:		
Int. and dividends ..	10,594	12,760
Sale of claims	......	8,000
Profit on Veraguas shares	......	1,999
Sale of equipment .	......	499
Net prof. on invests.	23,074	......
	33,668	23,258
Less: Expen., investig. and explor.	560	3,542
Gen. & admin. exp.	5,440	5,983
Invest. loss & w/o ..	16,788	2,329
Int. & bank chgs. ..	3,329	1,865
Net income	7,551	9,539
Less: Props. sold & aband., etc., end of prior year	1,943,655	1,953,194
Deficit forward	1,936,104	1,943,655

The Week in Oils

Oil Industry Feature Of C.I.M.M. Meeting

Western Branch Meets in Calgary Next Week—Production Quotas Cut to Admit New Producers—Continue Knode Policies

From Our Own Correspondent

CALGARY.—Attesting the increased importance of Alberta oil development, crude oil production will be the subject featuring the three-day sessions of the western branch of the Canadian Institute of Mining and Metallurgy meeting here next week.

This 21st meeting of the western group will hear lectures by leading oil geologists, including Dr. G. S. Hume, and J. O. G. Sanderson and in Turner Valley will see actual processes in oil welling handled by experts from leading supply and service organizations.

B. L. Thorne, president of the Dominion C. I. M. M., is a Calgary resident and will preside.

Cut Quotas

To make way for four new wells recently completed, the Alberta Conservation Board has sharply reduced the production allowables of individual wells, leaving the total daily output at 22,000 barrels. New quotas include 427 barrels daily for Royalite 41; 150 for Calwin; 200 for Royalite 39 and 200 for Royalite 40.

* * *

"Carry on Policies"

The Alberta Conservation Board "as now constituted intends to carry on the conservation policies in effect while Mr. Knode was chairman," C. W. Dingman, new acting head, told The Financial Post following the retirement announced last week.

Mr. Dingman is a nephew of the late A. W. Dingman, who was president of Calgary Petroleum Products Ltd., which drilled the discovery well in Turner Valley many years ago. Mr. Cottle, new associate on the Conservation Board, has long been associated with the oil industry through his special studies for the Canadian Tariff Board. He is also accountant for the Royal Commission probing the industry.

* * *

Government Drilling

When the British Columbia Government starts its first well in the Peace River district of that province next fall it will be the first time taxpayers' money has been used by any government in Canada or the United States—state, provincial or federal—to drill for oil.

While here discussing Peace River oil prospects with oil men, Hon. W. J. Asseltine, B.C. mines minister, stated definitely that the B. C. Government intended to go ahead with a well drilling programme in the hope of proving up a major oil field in the province. A drilling contract will be let shortly and the first well is expected to be started late in September or early in October.

The Peace River fields are still definitely in the wildcat class. While several test holes have been drilled to shallow depths and oil and gas showings have been obtained, no well has yet encountered commercial production assets. Now drilling on the Alberta side, 30 miles east of Pouce Coupe, is the Guardian Oil Co. well down more than 4,200 feet. According to John E. Morrow of Pittsburg, president of the company, the production level may be encountered at any time.

It may be, therefore, that by the time the British Columbia Government's No. 1 well is started, a large area on the Alberta side of the Peace River district may be proved by Guardian 1.

* * *

Example to Follow?

Oil men are speculating on the possibility that the Alberta Government might follow the example set by British Columbia and join in the search, now being carried on by private capital, for a major oil field in Alberta apart from Turner Valley.

It is feared, of course, that such a course would produce loud noises of discontent from some taxpayers. A few taxpayers would provide powerful ammunition for the Government opposition. On the other hand, governmental success in oil well drilling activities would be a governmental triumph, perhaps financially as well as politically.

* * *

$500,000 Storage

More than 450,000 barrels of Turner Valley crude oil, worth more than $500,000 in the raw state and representing refined products worth millions, are in storage in Calgary awaiting an anticipated heavy demand for oil by farmers when harvesting operations become general. This is the largest amount of Alberta oil ever stored in Calgary. The accumulation is the result of the large field quota, 27,000 barrels daily, allowed Turner Valley for a considerable period by the Conservation Board.

Last year, about this time, only 200,000 barrels of oil were in storage in Calgary. This proved inadequate when harvesting became general and Turner Valley crude producers were worked to capacity to meet the market demand. With the large supply now in store, danger of running wells wide open, thus injuring them perhaps permanently, will be obviated.

* * *

Tulsa of Canada

By the end of this year, according to J. L. Inwin, statistician, Alberta department of lands and mines, Calgary may claim the title, "Tulsa of Canada."

This, he said, would be due to the completion of the new Imperial Oil refinery at a cost of $1,750,000, making it the second largest refinery in Canada, and the continued operation of the new British-American refinery completed last April at a cost of $1,500,000.

"Sarnia, Ont., where refineries are fed mainly with crude oil imported from the United States, is the only real competitor to Calgary as a Canadian oil city," Mr. Irwin said.

"Prospects ahead for Turner Valley appear as bright as ever for vastly increased production," he continued. "Prospects for securing additional major fields within the province, with the wide-spread drilling operations now in progress, are equally bright."

In the first six months of 1939 Alberta produced 3,254,269 barrels of oil—an increase of 424,899 barrels over the corresponding period in 1938.

* * *

Reclaim Market

A general closing of oil wells in the United States and fast absorption of huge oil reserves in that country might have the result of recovering the Manitoba market for Turner Valley, oil men say. For a considerable period, Manitoba was supplied mainly with gasoline processed from Turner Valley crude by Imperial Oil, Ltd. at its Regina refinery and by British-American at its Moose Jaw refinery.

Now Manitoba is being supplied largely by Imperial with gasoline refined at Sarnia from Illinois crude oil, British-American officials have stated their intention of marketing in Manitoba gasoline produced from Texas crude.

The Alberta Petroleum Association charges that independent refineries are importing large quantities of Wyoming crude into Manitoba daily. The only refinery in Manitoba processing Turner Valley crude is said to be the Anglo-Canadian refinery at Brandon.

The American oil situation is therefore, of considerable interest to producers here.

* * *

Repays 100%

Sundance Co., it is claimed, is the first of the publicly subscribed Turner Valley crude producing companies to have repaid subscribers the total amount of their investment. A dividend payment to be made Sept. 5 will bring the total return of the company up to 20 cents a share. The public will thus have been repaid its investment within 15 months of the bringing in of the Sundance well in the Valley. Sundance is an associate company of Anglo-Canadian. The policy of the associated companies is to make a distribution from the proceeds of net production every three months and this policy will be continued with respect to Sundance, according to Anglo officials.

Concentrates — Canada's Mines This Week

Aunor Gold Mines reports that a block of 25,000 shares has been taken up at $1.50 by Draper, Dobie and Co. and Milner, Ross and Co., and 19,358 shares have been taken up at $1.50 a share by John F. Conroy, Jr., both under agreements May 25, 1939. Issued capital is 1,903,525 shares, leaving 76,475 shares in the treasury.

* * *

Bidgood Kirkland announce plans for extension of underground activity as result of a thorough geological study of the present workings and of the old No. 1 shaft area. At the No. 2 shaft, diamond drilling from the 1,500-ft. level has been encouraging. Exploration results between the 775 and 1,525-ft. levels have been below expectations in that no major ore body similar to the "20" structure has been developed. Values obtained from drilling at approximately 2,000 ft., however, lead the management to anticipate oreshoots similar to those above the 775-ft. level. Sinking to 2,100 ft. will be proceeded with at once. The old No. 1 shaft workings to the west are to be dewatered. Besides offering opportunity for studying former workings, the 400-ft. level has been reported with approximately 10,000 tons of available ore grading approximately one half ounce per ton. Besides mining this available ore, it is the intention to probe for new possibilities in this area. Present mine production is considered ample to absorb cost of new developments.

* * *

Bailor Gold offers shareholders rights to purchase 200,000 sh. at 3½c. and subscribers at that price will have option to purchase equal number of shares at 4 cents within 60 days from the start of diamond drill operations on the Springer property in Sudbury district and the Golden Shower property in Le Pas dist.

* * *

Box Mine, Consolidated Smelters subsidiary, reports that its first brick was worth $30,000. This 1,000 ton operation got into production in July.

* * *

B.R.X. Consolidated annual report shows current assets of $14,080, current liabilities of $3,736. A. Fonville, consultant, recommends exploration be confined to the north end of the property. He estimates there is a year's ore supply for the mill, provided a flotation unit is installed.

* * *

Bass Lake Gold Mines announces that diamond drilling is proceeding at the company's property in Mongrowin township, in the West River area, west of Sudbury. The campaign is to probe occurrences found on the surface, from which encouraging assays in gold and base metals were obtained. Some 25 test pits were sunk on the showing. Sam Owen, of Espanola, is president of the company, capitalized at 3,000,000 one-dollar shares, the property being purchased from the Owen Syndicate for 1,000,000 shares.

* * *

Cassiar District in the far north of British Columbia has just made its first gold shipment since the collapse of the placer gold mining boom in 1878. A small plant at Erickson Creek has been running about three tons daily and turned out 60 ounces of gold. In 1874 the district produced about $1 million in placer gold, almost one half the total Canadian output. Snow and transportation difficulties make winter operations almost impossible.

* * *

Chibougamau Properties directors have ratified a contract with H. A. Guess, acting for American Smelting & Refining Co., for one of its properties in Dufresnoy Township, lying between and adjacent to the Lake Dufault granodiorite mass on the north and Here Creek fault zone on the southeast.

Mr. Guess will spend $1,000 monthly on the property and, if results warrant, an operating company will be organized to further develop the ground. There will be issued to Mr. Guess 20-year 5 per cent notes for all capital expenditures, payable out of earnings. Chibougamau Properties would receive 30 per cent of the authorized capital if any company is formed and cash payment of $5,000.

* * *

Century Mining Corp. reports under terms of agreement with Millwall Syndicate, of May 1, a further 10,000 shares have been taken down at one shilling per share. This forms part of a block of 100,000 shares to be taken down at one shilling on or before Sept. 30, 1939. Century Mining has received $2,339. Total of 1,917,325 shares are now issued and 1,082,675 remain in the treasury, of which 580,000 shares are under option, which options terminate on April 30, 1940.

* * *

Cochenour Willans directors have decided to build a 150-ton mill, with provision for increase to 200 tons. Property adjoins McKenzie Red Lake and will be Red Lake camp's sixth producer.

* * *

Dawson-White Gold which is to be put up for forced sale to satisfy debts totalling around $23,000 on Sept. 15, may be salvaged for present holders. A special general meeting will be held in Toronto, Sept. 1, according to a letter to shareholders over the signatures of S. C. Sterling, James E. Day, R. J. Mitchell, A. H. McKay and G. W. Crothers, whose combined holdings total 267,000 shares, or more than 10% of the subscribed shares. Purpose of the meeting is stated to be to elect a new board of directors and to authorize the new board to raise finances for the payment of debts.

* * *

Gold Eagle drilling from the 500 level reports confirmation that the ore body being mined on the 250 level comes down to the 500 after some dislocation.

* * *

Giant Yellowknife reports high grade ore persists in drifting on the 150-ft. level. Some 60 feet have shown quartz well sprinkled with free gold over widths to 22 in. Due to the nature of the occurrences, no assays are given. This ore is downward extension of a break opened on surface. Four other occurrences are said to be known and will get examination later.

* * *

Gillies Lake-Porcupine expects the crosscut from the 1,550 level of Hollinger Consolidated will be into Gillies ground this month with about 70 feet to go at present.

* * *

Gold Eagle directors decided at a meeting Aug. 14 that results of deep diamond-drilling, just completed, justified sinking of the present winze from the 700-ft. level to the 1,000-ft. horizon on the No. 1 shearing.

* * *

Granville Oils, holding a 40-acre lease on the west flank of South Turner Valley, has declared a dividend of one-half cent a share, payable Aug. 27, calling for distribution of $3,549.

Similar amounts were distributed on June 27 and May 30, the latter the initial payment, so that total for the year will be $10,649. Total distributed by Turner Valley companies this year will be $1,264,010.

* * *

* * *

Hard Rock reports that construction of its new roaster is now about 80% completed and the unit is expected to be ready for operation the latter end of next month. It will handle 100 tons daily of concentrate and effect a large saving of values on the ore mined from the north zone, which contains much iron and arsenic. As of July 31, 19,229 tons of concentrate were on hand for immediate treatment in the new plant, containing an average value of $15 per ton, of which it is anticipated more than 90% will be recovered, or an addition to previous receipts to that date of around $260,000.

* * *

Howe Sound reports that the strike by the local C.I.O union affiliate has been called off at request of a group of union members, and operations will be resumed. The property is located at Holden, State of Washington.

* * *

MacLeod-Cockshutt reports discovery of a new ore mass 40 feet wide and running $10 per ton between surface and 300 level. A drift on the 150 level has followed it 150 feet. Vice-president Errington points out that this development makes important additions to known ore. It is expected the new roaster will be completed early in November.

1939	Tons milled	Total output	Per ton recov.
July	16,000	133,315	8.33
June	17,049	132,412	7.76

* * *

Negus Mines report important ore development in which east vein has been cut on two levels with values and widths much in excess of those formerly associated with the property on the 200 level giving value of 1.65 ounces gold per ton and width of 12.6 feet. These results indicate higher tonnage possibilities for the mill.

* * *

North Whitney is expected to get under way late this month. The mining plant is now being installed and all camp buildings are complete. The company has $100,000, a shaft down 250 feet and 1,000 feet of crosscutting and drifting done at that level. Work was halted because of lack of funds.

* * *

Pioneer Gold has declared the regular quarterly dividend of 10 cents a share calling for distribution of $175,175. When paid total dividends paid in 1939 will have been $700,700 and the total since dividend payments were started in 1931, will be $7,602,595. Dewatering of old workings at the Cariboo-Amelia property has been almost completed.

* * *

Pontiac Rouyn stockholders, at a special meeting, approved sale of company assets to Pontiac Rouyn Mines, 1939, Ltd. for 2,365,156 shares of the latter company. The new shares are to be pooled for one year or at the discretion of the Ontario Securities Commission. Exchange basis is share for share. Mine Finders Ltd. and Rhodes Exploration and Finance of Canada Ltd. will purchase 200,000 shares of the new company for $35,000 and in six months a further 100,000 shares for $25,000. Options on 600,000 further treasury shares are given at prices from 30 to 55 cents. Balance sheet of Pontiac Rouyn Mines Ltd. at June 30, 1939, shows current assets of $2,900 against current liabilities of $203.

* * *

Planet Gold, Boston Creek area, reports best diamond drill results in the present campaign.

The hole covered is reported to have intersected free gold between 1,885 and 1,920 feet for length of 35 feet. The same structure is said to have continued in the hole to bottom of 2,000 feet. It is likely that additional deep holes will be drilled to probe further the ore body.

* * *

Red Crest Gold directors are seeking financial assistance to complete exploration of the property, but no definite statement can yet be made as to when work can be resumed, President A. A. McKelvie states in annual report for year ended April 30, 1939. Mine has been closed since March, 1938. Balance sheet shows current assets of $407, and current liabilities of $9,967, latter including $8,100 loan from Kirkland Hudson Bay Gold Mines.

Annual meeting is to be held in Montreal Aug. 30. Shareholders will be asked to approve changing head office from Montreal to New Liskeard.

* * *

St. Anthony Gold Mines, Sturgeon Lake area, has developed continuous ore for 420 ft. on the 500-ft. level north, according to official report. Where stoping has been done, it is stated, the last 80 ft. of the vein has shown width up to 18 ft., with some visible gold, averaging $12 to $15 per ton. Ore is still open on the north faces of the three bottom levels. On the west break, exploration is proceeding 350 ft. west of present mine workings, where the break is exposed on surface for 1,150 ft.

* * *

Salmon Gold Consolidated Mining & Smelting Co. announces that it has relinquished its option on the Salmon Gold Mining Co. property in the Portland Canal district, British Columbia. The decision follows Smelters' new policy of getting out of all properties in the early stages of development except those adjacent to its major operations.

* * *

Sturgeon River Mines reports considerably higher production for July.

1939	Tons milled	Total recovery
July	2,233	40,235
June	2,199	30,897

* * *

Senator Rouyn reports purchase of a mucking machine which will speed underground development which is now under way on the 375 and 500 levels. Drifting in the orebody is expected to be under way in about a month. Surface diamond drilling is being continued.

* * *

Surf Inlet has sufficient ore reserves for at least two or three years on the basis of present production, A. H. Sawyer, general manager, told shareholders at the annual meeting. Eastern shareholders may have representation on the directorate when authority was given the board to add two members for this purpose.

* * *

Siscoe Gold reports net earnings for six months ended June 30, 1939, of $351,471, or 7.5 cents a share. This compares with $547,451, or 11.8 cents a share in the first six months of 1938. Siscoe has declared the regular quarterly dividend of 3 cents, payable Sept. 15, calling for distribution of $139,201.89. This is the third such dividend this year and when paid will bring total for the year to $417,605.67 and grand total since inception of dividends in 1932 to $6,330,379.

	6 Mos. Ended June 30 1939	6 Mos. Ended June 30 1938
	$	$
Gross income	1,012,227	1,258,727
Operating costs	524,610	549,842
	487,617	708,885
Depreciation	77,120	74,410
	410,497	634,475
Fed. & Prov. taxes ..	59,026	87,024
Net	351,471	547,451

* * *

Teck Exploration has stopped drilling and dropped its option on the property of Louvre Gold Mines, Que.

* * *

Wanakirk-Rouyn Mines located about a mile north of Noranda, reports that it has arranged funds for an extensive diamond drill campaign.

* * *

West Shore Malartic Gold Mines plans immediate diamond drilling for its Dubuisson property on the west shore of Lake De Montigny, adjoining Kiena Gold Mines on the west. Contract for 2,500 feet of diamond drilling has been drafted with Inspiration Mining & Development Co. A series of channel samples are stated to have yielded from $1 to $10 a ton with geology considered favorable. The company also has a property in Malartic twp.

Mining Enquiries

Sladen Malartic—Burwell

May I have your opinion on Sladen Malartic? What is the outlook for Burwell?

Sladen Malartic got into operation Jan., 1938. The plant has since been enlarged to treat over 500 tons daily. Since April, 1939, the mill has been operating at a profit. Prior to that time general expansion eliminated profits. Present grade of ore is running around $4 per ton with costs of $3.25, but the management hopes to have mill heads up to $6 before very long.

The mine is very well located with respect to other promising properties and low grade of ore is its main problem although there seems good reason to expect improvement. The operation appears to be very well managed. The company has had a large number of shares outstanding, 3,499,021 and a $185,000 bank loan, but some material improvement at this property is an expectation that would seem well justified.

Burwell Gold Mines has two groups of claims in northwestern Quebec of which the more interesting joins Siscoe and Siscoe Extension. On this group considerable surface exploration and diamond drilling have been done with fair results but the company has been inactive pending further financing. The longer term picture for Siscoe may have a lot to do with the Burwell outlook.

Hedley Mascot

Could you send me any information you have on Hedley Mascot Gold Mines Limited? I bought some shares this spring at 90 and as they are now around 75 I was wondering whether to sell or not. I understand that they are disappointed in their ore findings.

Hedley Mascot showed steady improvement since it began milling operations in May, 1936, until the end of 1938, when the necessity of getting new ore became apparent. This the company now seems to have done. An extensive development programme has resulted in an extension north. They seem to have something which may be an extension of the old No. 5 ore body, but just how important this may prove it is still impossible to say. The general ore picture plus the omission of the bonus on the June 1 dividend payment was naturally hard on the stock price. While it might be expected that more ore will be found on the company's property nothing buth the drill will prove this so that your own willingness to ride along on a good gamble or to take your loss and look for something else must, I am afraid, be up to you.

N. C. URQUHART & CO.
STOCK BROKERS
Members Toronto Stock Exchange
15 King Street West Toronto, Ont.
ADel. 6028

Inquiries invited regarding Canadian Industrial and Mining Investments. We specialize in the Dividend Paying Gold Mines and in new gold mining properties under present active and encouraging development.
A. E. OSLER & COMPANY
Established 1886 Members The Toronto Stock Exchange
Osler Bldg., 11 Jordan St. Phone ADelaide 2431

Canadian Mining and Industrial Stocks
Canadian Commodities
OUR STATISTICAL STAFF WILL BE PLEASED TO ANSWER INQUIRIES REGARDING ALL CLASSES OF SECURITIES
F. J. Crawford & Co.
MEMBERS:
11 JORDAN ST. TORONTO ELgin 2201
The Toronto Stock Exchange
Winnipeg Grain Exchange
Canadian Commodity Exchange, Inc.
Branches: BARRIE ORILLIA

Investors' Chronicle
6d. Established 1860 6d.
Has the Largest Net Sales of any Weekly Financial Newspaper in Great Britain
OVERSEAS FINANCE
Special Correspondents in all Financial Centres
A free specimen copy will be forwarded on post card application to:
THE PUBLISHER,
INVESTORS' CHRONICLE,
20, BISHOPSGATE,
LONDON, E.C. 2, ENG.

BRITISH COLUMBIA
"The Mineral Province"
The Annual Report of the Department of Mines is now available and can be obtained on application to the Deputy Minister of Mines, Parliament Buildings, Victoria, B.C.
This is an extremely comprehensive publication, and deals exhaustively with the Mining Industry of British Columbia.
It is published in seven sections, namely:
Part A.—A Summary of the Whole.
Part B.—The North-western District.
Part C.—The North-eastern District.
Part D.—The Southern and Central Districts.
Part E.—The Eastern District.
Part F.—The Western District.
Part G.—Inspection of Mines.
For the complete Report, the charge is Fifty Cents; for the separate Sections, Ten Cents each.
THE DEPARTMENT OF MINES
Parliament Buildings, Victoria, B.C.
HON. W. J. ASSELSTINE, *Minister.*

Where New Mine Crop May Develop

Geological Zones Indicate Rich Hopes For Expansion

RONALD A. McEACHERN
Mining Editor, The Financial Post

The greatest day in Canadian mining happened a good many million years ago. That was the time when great forces kneaded the earth, swept glaciers across its face and left it to settle. This set in motion silent internal feats of physics and chemistry which have plagued man's hopes, laid dim outlines for the course of world history.

One of the most impressive things about gold is that man has found so much of it. Relative to the years of that primeval commotion, the eras of those underground mysteries, man's achievement in exploiting these treasures must be numbered among his greater accomplishments.

In The Great Day of mining no account was taken of provincial boundaries, nor were geological formations neatly outlined for convenience of designation in "camps." It is convenient to talk about Canadian mining when it is wrapped up into separate parcels. Geologically, those parcels have little meaning.

When honored geological theory is stripped of its academic fancywork and the experience of Canadian mining is regarded from more distant horizons, rich possibilities are outlined. Here, at least, seems reason for optimism in the future.

The Line of Strike

If calculating machines now can hardly cope with the vast figures recording the present achievement of Canadian mining, what will they do in the future?

The present analysis is just a look at one part of the Canadian mining field. It is related only to those areas where the achievement to date is definitely ascertainable. Some mines are not included simply because, on the basis of present geological knowledge, they cannot be strictly related to known geological belts. This, of course indicates the possibility that at some later time they may be found straddling a belt with many others.

Staking on the line of strike has always been the first article in the prospector's creed. Look at this from a little broader point of view.

The Kirkland-Noranda Belt

Take the most productive belt, Canada's Rand. This has more than 200 miles of main street lined with the front gates of dozens of great mines. The camps are Matachewan, Kirkland Lake, Larder Lake, Cadillac, Malartic, Bourlamaque and Pascalis. Here again, geological study, plus actual mine development proves the existence of a geological belt stretching as now known from Matachewan in the west to some 30 miles beyond Perron in the east.

Kirkland Lake camp was relatively easy for the prospector. Porphyry rocks came to the surface, carrying their riches with them, pointing the way underground. Larder Lake again has outcrops, though the overburden commences to get heavy and harder for prospecting.

In the Malartic camp, surface indications of the situation below become very slim and mining men give much of the credit for the Malartic camp development, which is now looking so very attractive, to the Norrie brothers. Bourlamaque and Pascalis were easier to prospect.

Casually Touched

The possibilities of this Kirkland-Noranda belt can be considered only casually touched. Despite the apparent closeness of all these camps and properties along this belt on the ordinary map, there are miles between most of them and many lengthy gaps. Consider the possibilities of the so-called north break now being tested, apparently with encouragement in the Kirkland Lake camp. Look at the long years of waiting, despite the wealth of that area, even to have this northern zone looked at carefully.

Who now can say that the properties in Larder Lake or Cadillac or Malartic are in the heart of their section of the belt? Perhaps they are. But really exhaustive diamond drilling is so expensive, and money for this type of work is so hard to get, that comparatively little of it has been done on the borders of this zone.

The possibilities admit a future far greater than that now generally held likely.

The Porcupine Belt

The Porcupine belt's productive record is almost as great as the first and its dividend record is considerably better. It has long been obvious from the most casual glance at a map that the main Porcupine producers were strung along a line—and the line was fairly straight.

In recent years, Porcupine has been growing at both ends. New developments gave the ends a vigorous push outward—to the eastward, Pamour, Broulan, Hoyle, Hallnor; to the west, Aunor, Delnite, Naybob. On both ends much work is being done, filled with interest for the geologist as well as the speculator.

Those are mines of the Porcupine camp proper. Look at the bigger picture. Geologists know that there is a well defined geological belt running east out through Hislop at least as far as Beattie Mines out in Quebec, and apparently some 12 miles beyond.

The belt goes through Hislop township. Hollinger's Ross mine has been doing nicely for some time and latest reports indicate that there may be spectacular days ahead for this property. The achievement of Beattie is well known and is outlined in figures below.

Stretches 122 Miles at Least

How far the Porcupine line goes west is another question filled with rich possibilities. Orpit seems to be on the indicated Porcupine line and present diamond drilling would indicate that it is at least more than moose pasture.

Altogether it is about 122 miles at least from Naybob, the known west end, to Beattie the known east end of the Porcupine belt.

What of the gaps between the present producers? What of the great gap between Hallnor and the Ross mine, for instance?

Much of this gap is covered deep with clay. There are no outcrops to guide the prospector. No hints of where to drill. Nothing but blind drilling, by companies which can afford to spend perhaps millions before they get the promise of a dollar back, will tell the story. But who is to say that there are not half a dozen Hollingers waiting for development in those long miles of untested and, to the geologist, favorable ground

Manitoba-Patricia Belt

The next most productive belt so far in central Canada is that which stretches from Gunnar and San Antonio in Manitoba eastward to Red Lake and on through Uchi to Pickle Crow and Central Patricia.

Geologically, this belt is so far not so well established as the others. It is ripped up with great granite masses which leave it broken and somewhat disconnected. But even on the comparatively sparse geological knowledge of the present, this belt seems to have a definite entity.

As with the previous belts, this one presents great possibilities. Look over the achievement so far in the table below. But how little is that achievement and the present store of knowledge about this area, compared with the possibilities.

The Little Long Lac belt is, in actual production, the youngest of the four. It stretches, on present geological information, some 168 miles through Beardmore and Little Long Lac camps including the producing mines listed below. Toward the middle, the sediments disappear under a great diabase sill, to reappear on the other side.

The dividends that have come from this camp are relatively small, largely due to the youth of the belt.

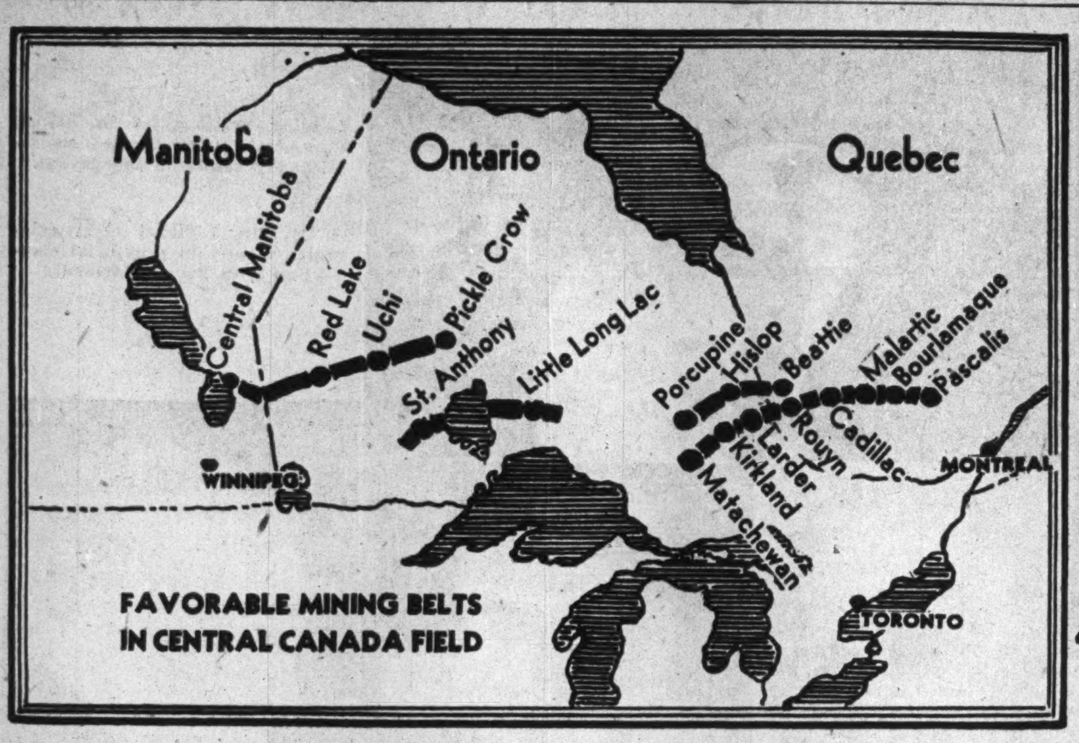
Two Conclusions

Looking at mining production in central Canada in this way, two conclusions crystallize:

1. Gold mining in Canada is so very young and so much has yet to be found out and done, that there is no reason whatever for listening to the preachers of pessimism who groan that Canadian gold mining has reached or passed its peak. Geology suggests very plainly that it has not.

2. Exploration and development of the gaps along these belts is going to be very expensive. They still exist as gaps largely for the reason that they show the prospector little or nothing on surface. Deep, virtually blind drilling, is the only means of getting the story. And this work can only be done by rich prospecting companies or syndicates. While there is still very much important work to be done by the individual prospector, a fundamental part of the future of Canadian mining rests with the determination, skill and wealth of the big companies.

The following figures show the detailed record of the four camps:



FAVORABLE MINING BELTS IN CENTRAL CANADA FIELD

Summary of Output by Belts

	Total output to 1939	Output 1938	Dividend total to '39
	$	$	$
Kirkland-Noranda	537,142,930	77,604,583	185,094,627
Porcupine Belt	534,742,507	46,613,134	235,643,406
Red Lake Belt	37,158,257	9,010,361	7,678,680
Little Long Lac Belt	17,545,420	7,183,194	2,351,250

THE KIRKLAND LAKE-NORANDA BELT

Mine	Started production	Approx. total output to 1939	Output 1938	Divds. paid to 1939	Dividends started
Matachewan Camp:					
		$	$	$	
Young Davidson	1934	4,135,443	1,249,374	....	....
Matachewan Cons.	1934	2,348,118	832,903	....	....
		6,483,561	2,082,277		
Kirkland Lake Camp:					
Lake Shore	1918	149,446,777	15,149,635	69,020,000	1918
Wright-Hargreaves	1921	67,133,420	7,800,875	25,158,596	1921
Teck-Hughes (1)	1917	66,077,353	3,930,535	29,970,649	1926
Sylvanite (2)	1927	14,422,734	2,419,734	3,827,423	1930
Macassa	1933	6,766,892	1,769,952	2,134,955	1934
Kirkland Lake	1919	9,617,096	1,483,769	1,643,396	1934
Toburn (3)	1913	7,982,858	1,112,385	869,500	1934
Bidgood	1931	1,462,420	617,581	....	....
Morris	1936	334,200	113,469	....	....
Miscellaneous (4)	....	301,582	....	....	....
Camp total		323,545,332	34,397,935	132,624,519	
Larder Lake Camp:					
Omega (5)	1936	2,130,752	865,968	....	....
Raven River	1937	209,582	196,851	....	....
Kerr-Addison	1938	985,641	985,641	....	....
Miscellaneous (6)		2,423,192	....	....	....
Camp total		5,749,167	2,048,460	....	
Rouyn Camp:					
Arntfield	1935	1,074,219	351,676	....	....
Francoeur	1938	95,000	95,000	....	....
Powell Rouyn	1937	1,051,278	898,827	....	....
Noranda (7)	1928	151,900,903	21,761,698	44,938,295	1930
Stadacona	1936	1,358,557	836,124	....	....
McWatters	1934	2,106,805	397,768	279,076	1935
Camp total		157,586,762	24,341,093	45,217,371	
Cadillac Camp:					
Thompson Cad. (8)	1936	390,235	214,524	....	....
O'Brien (9)	1934	3,727,511	1,454,838	....	....
Lapa Cad.	1938	54,000	54,000	....	....
Camp total		4,171,746	1,723,380	....	
Malartic Camp:					
Can. Malartic	1935	3,170,616	1,136,584	509,964	1937
Sladen Malartic	1938	614,534	614,534	....	....
East Malartic	1938	195,030	195,030	....	....
Camp total		3,980,180	1,946,148	509,964	
Bourlamaque Camp:					
Siscoe	1929	15,998,712	2,330,582	5,912,773	1932
Sullivan	1934	2,795,727	793,726	400,000	1937
Sigma (10)	1937	2,803,134	1,811,583	30,000	1937
Lamaque	1935	11,161,274	4,563,584	300,000	1938
Camp total		32,758,847	9,499,475	6,642,773	
Pascalis Camp:					
Payore (11)	1938	23,000	23,000	....	....
Perron	1934	2,844,335	1,254,521	100,000	1938
Cournor (12)	1937	....	288,294	....	....
Camp total		2,867,335	1,565,815	100,000	
Total for entire belt		537,142,930	77,604,583	185,094,627	

(1) To Aug. 31. (2) Includes predecessors. (3) Includes production of Tough-Oakes Burnside. (4) Approx. to 1938. (5) Includes predecessors. (6) Approx. to 1938. (7) Includes all metals and custom ores. (8) To July 31, 1938, later figures lacking. (9) Paid $325,000 in 1939. (10) Liquidating div. of predecessors. (11) Approx. (12) Last quarter 1937 lacking.

THE PORCUPINE BELT

Mine	Started production	Approx. production to 1939	Production 1938	Dividends paid up to 1939	Dividends started
		$	$	$	
Hollinger	1910	268,189,008	15,496,804	93,654,400	1912
Ross (1)	1936	1,045,288	467,767	......	....
Gillies Lake (2)	1927	464,482	....	......	....
McIntyre	1912	104,512,881	8,288,669	98,218,065	1917
Dome	1910	94,981,719	7,293,289	39,226,295	1915
Mace (3)	1911	12,061,629	229,272	67,500	1927
Coniaurum	1913	11,126,284	1,675,230	765,349	1937
Buffalo Ankerite	1926	12,656,596	2,971,464	1,598,222	1933
Paymaster (4)	1915	5,787,099	1,402,304	86,290	1938
Hallnor	1938	1,373,141	1,373,141	......	....
Delnite (5)	1937	1,086,200	716,521	......	....
Pamour	1936	6,166,648	3,313,830	600,000	1938
Moneta	1938	1,015,648	1,015,648	228,947	1938
Beattie	1933	12,596,676	2,369,195	1,198,338	1936
Miscellaneous	....	1,679,208	......	......	....
Totals		534,742,507	46,613,134	235,643,408	

(1) Hollinger subsidiary. (2) Resumed work under Hollinger 1939. (3) Vipond until 1937. (4) Consolidation of early properties 1933. (5) Sylvanite subsidiary.

THE MANITOBA-PATRICIA BELT

Mine	Started production	Approx. total output to 1939	Output 1938	Divds. paid to 1939	Dividends started
		$	$	$	
Gunnar	1936	1,584,086	619,058	241,872	1937
San Antonio	1932	6,044,897	1,102,180	1,561,808	1934
Beresford Lake	1938	62,000	62,000	....	....
McKenzie Red L.	1935	3,029,201	892,404	725,000	1938
Pickle Crow	1935	7,523,653	2,767,000	2,850,000	1936
Central Patricia	1934	5,052,218	1,605,268	1,050,000	1936
Howey	1930	10,235,284	1,195,603	1,250,000	1934
Madsen Red L.	1938	241,752	241,752	....	....
J. M. Consol.	1936	594,206	138,691	....	....
Gold Eagle	1937	386,405	386,405	....	....
Miscellaneous	....	2,404,555	....	....	....
Totals		37,158,257	9,010,361	7,678,680	

LITTLE LONG LAC BELT

Mine	Started production	Approx. total output to 1936	Output 1938	Divds. paid to 1939	Dividends started
		$	$	$	
Sand River	1937	485,492	458,997	....	....
Leitch	1937	1,157,065	709,799	57,000	1938
Northern Empire	1934	3,353,688	804,044	461,250	1935
Sturgeon River	1936	839,824	509,011	....	....
Tombill	1938	410,000	410,000	....	....
Bankfield	1937	984,997	650,106	....	....
Hard Rock	1938	648,075	648,075	....	....
Little Long Lac	1934	5,869,942	1,544,990	1,833,000	1936
MacLeod-Cock.	1938	900,582	900,582	....	....
St. Anthony	1934	963,037	220,002	....	....
Straw Lake	1938	19,770	19,770	....	....
Wendigo	1936	464,654	307,818	....	....
Miscellaneous	....	1,448,294	....	....	....
Totals		17,545,420	7,183,194	2,351,250	

Production Up For Sherritt

East Mine Being Dewatered — Slightly Better Grade

Improved returns and the close approach of production at its East Mine is reported by Sherritt Gordon Mines, the copper, zinc, gold and silver property of the Ventures interests in northern Manitoba.

Operating profit before taxes and write-offs of $203,138 for the second quarter ended June was the best in the company's recent history and compares with $180,413 for the first quarter of the present year.

For the first six months operating profit is $383,551 compared with $328,521 for the same period last year. Production was from 15,667,407 pounds of copper, 3,763 ounces of gold, and 128,204 ounces of silver. At the present time no effort is being made to treat ore with high zinc content nor to save any encountered.

Survey Made

The East Mine is now being dewatered and is being equipped for production. So far all mill feed has been taken from the west zone. A geophysical survey of the northern part of the property has been made and additional claims were staked for protection.

The mill has been treating an average of 1,848 tons per mill day and mill feed for the most recent quarter has been slightly higher grade.

Five prospecting parties are at work for the company in the area north and east of the mine.

Initial operations at Sherritt began in March, 1931. With the drastic reduction in base metal prices in the depression, Sherritt halted production in June, 1932, not to resume until August, 1937 from which time production has been continuous.

Need
ENVELOPES?
PHONE
DOMINION ENVELOPES LTD
10-150 DUCHESS ST., TORONTO
We have them
all Kinds
ELGIN 7271

DB
COMPANY LIMITED

Steel Structures, Railway and Highway Bridges, Plate and Tank Work, Electric and Hand Power Cranes, Hydraulic Regulating Gates and Operating Machinery, Caissons, Barges, Coal and Ore Bridges, Liftlocks, Turntables, Forgings, Boilers - Heating and Power Types, Coal Pulverizing Equipment, Mining Equipment, Williams Buckets.

DOMINION BRIDGE COMPANY
LIMITED
HEAD OFFICE ... LACHINE (MONTREAL) QUE.
AMHERST MONTREAL OTTAWA TORONTO
WINNIPEG REGINA CALGARY EDMONTON VANCOUVER

Wright Harg. Closes Deal

Brenmore in Quebec Is Optioned — To Get Immediate Test

Acquisition of Brenmore Quebec Mines Ltd. by Wright Hargreaves under an option agreement marks the first official move by the big Kirkland Lake producer in its recently adopted policy of going into market for outside prospect properties.

Brenmore has 18 claims in the Mud Lake area of Quebec adjacent to properties held by McIntyre and Coniagas. Surface work has disclosed seven veins with free showings of high grade in each. President is C. B. Stevenson of New Liskeard.

It is understood that the deal includes cash from Wright Hargreaves, an option on a block of stock and agreement by the takers to do a specified amount of work monthly.

It is understood that a Wright Hargreaves drilling crew is going to the property at once, which indicates immediate exploration potentially leading to an important new mining development.

Canning Industry Shows Improvement

(Continued from page 10)

and still not come into severe competition with other nations as she does with fruits.

Because of lower prices for fruits in Australia and the U.S. these nations are in a much better competitive position than the Dominion. For example, U.S. canners pay $20 a ton for peaches. Canadian manufacturers pay $45 a ton, which excludes the canned product from the lower priced market, although from a quality standpoint Canadian peaches more than hold their own in competition.

Foreign Competition

Canada's ability to supply the U.K. market with vegetables, especially adapted to the Canadian climate, is only a fraction of that market's ability to absorb the produce.

There is some possibility that Italy and Spain will offer much more severe competition in the U.K. tomato market in the future and Canadian manufacturers are moving to preserve that lucrative outlet. At the present time, Canadians are working on the production of a tomato that will more nearly fulfill the requirements of the English trade. This must be a fleshier and smaller tomato than the present type most popular in Canada.

In all, the chances of maintaining and even increasing this market look favorable to canners fo fruits and vegetables in Canada.

The canning industry is of substantial importance to Canadians employed by the organizations, suppliers of fresh vegetables and fruits and to consumers, to whom is made available a wide variety of foods out of season and far removed from the origin of the food.

Industry Covers Big Area

By far the greatest number of plants in the business of preparing foods are in Ontario. The area extends from the eastern part of the province in Prince Edward County west along the Great Lakes until it reaches the great fruit raising district in the Niagara Peninsula. Here there are many plants processing fruits. In central and western Ontario there are numerous plants, in the districts around Simcoe, Aylmer, Strathroy, Blenheim, Leamington and Chatham. British Columbia and Quebec also produce both fruits and vegetable preparations. In recent years, Nova Scotia has been preparing some fruits, principally apples. Quebec production of corn and peas has been expanded substantially.

In Ontario and British Columbia, marketing boards work with the canner and grower in arriving at a price for the products of the field and orchard. Ontario this year set prices on cherries, peaches, plums and pears.

Labor used during the canning season is for the most part employed during that time only, although key employees are maintained the whole year to keep the framework of the organization together.

Production Costs

Many of the larger plants have year-round production. Soups, beans, pineapples, grapefruit juice, fruit salads and many other products are processed during the winter months.

There are few raw products used in fruit and vegetable preparations of much importance except the vegetables themselves. Sugar is the most important of these. After a protracted period of low prices, this commodity is rising slowly.

The most important factor apart from the price of produce is the cost of tin plate. This, however, is a relatively stable commodity and there appears little likelihood of any radical revision of prices, with the exception of an outbreak of war, when prices might be expected to soar. Weighed against this is the fact that food prices would also rise.

Ruling out possibility of some unexpected development, prospects for the coming year for established canning organizations are better than for some time.

Canadian canning organizations in which there is public interest are reviewed as follows:

Canadian Canners

Canadian Canners Ltd. is the largest Canadian organization engaged in the preparation of fruits and vegetables. Unlike the majority of companies in the industry its securities have a widespread public interest.

W. R. Drynan, president and general manager, recently announced that Canadian Canners was enjoying much better sales and earnings in the current year.

With its activities widely diversified Canadian Canners is in an excellent position to benefit from the betterment in the industry as a whole, and if the expected improvement develops, the organization should show better profits in the fiscal year ending Feb. 28, 1940, than in the preceding fiscal year.

No Common Dividends

Because of lower scale of industrial activity and poor business, combined with the price situation previously referred to, the company showed lower earnings in the year ended Feb. 28, 1939. Net profit dropped to $257,444 from $723,028 in the year ended Feb. 28, 1938.

The common stock was not able to show earnings, against 97 cents a share in 1938.

Dividends have been paid regularly on the 5% first preference shares, of $20 par value, and 60 cents annually is now being paid on the non-cumulative no par preference. No dividends have been paid on the common stock since the payment of Jan. 2, 1932.

Working Capital Strong

The company's financial position is strong and well able to finance in operations or inventories that may occur. At the end of the 1939 fiscal year it amounted to $4.8 millions, a decrease of $40,000 from the end of the previous fiscal year.

Bank loans, which were shown on the 1939 balance sheet at $1,347,211 have been substantially reduced during the current year, it is reported.

Victoria Fruit

Victoria Fruit Packing Co., Victoria, B.C., manufactures canned fruit, jams, pickles, etc.

There are 2,500 of 5% preferred shares of $10 par value authorized and outstanding, and 50,000 $1 par common authorized and 4,438 shares outstanding. Preferred dividends have been paid regularly since incorporation in 1937.

A KING'S COUNSELLOR

No art needs to conceal itself more deftly than the fine and useful art of managing a husband. So discerning wives are grateful for any aid to supplement their talents. During the latter years of King Humbert's reign, which ended in 1900, his Queen and Counsellor Margherita thus confided her successful technique:

"I can overlook many faults in a man", she said, "and make allowances for his shortcomings. One fault, however, I cannot overlook is his not smoking. When the King is annoyed, I give him his pipe; when he is good tempered, I give him a cigarette; when I want him to do anything particular for me, I give him a cigar. With a pipe I can console him, with a cigarette I can delight him, but with a cigar I can lead him anyhow and anywhere."

This Company supplies "the Colonel's Lady and Judy O'Grady" with products which contribute to domestic tranquillity — and it accepts the responsibility that these products must always be good to induce in husbands that state of benign calm in which they are willing to listen to their wives' advice.

IMPERIAL TOBACCO COMPANY OF CANADA, LIMITED

Hammell to Give Address To Financial Advertisers

Insight into Canada's mineral development and contact with one of the outstanding figures in the mining industry, will be offered delegates from all over this continent to the convention in Toronto of the Financial Advertisers Association, Sept. 11-14.

Principal speakers at the convention will include John E. Hammell, leading Canadian mine developer and president of Pickle Crow Gold Mines, Val D'Or Mineral Holdings Ltd., and other enterprises. Announcement that he will be a guest speaker, at the banquet terminating the convention, stresses the initiative and energy he has contributed to mining development in the Dominion.

Other special speakers at the convention will include:

Thurmond Chatham, textile manufacturer of Winston-Salem, N.C., and authority on industrial relations.

K. R. Cravens, vice-president of the Cleveland Trust Co., and president of the recently organized Bankers Association for Consumer Credit, and expert on consumer and commercial credit.

Paul Zerrahn, Phoenix Mutual Life Insurance Co., Hartford, Conn.

Agawa-Porcupine Plans New Big Development

Agawa-Porcupine, directly east of Faymar and south of Irvin Porcupine, now under development, may shortly have an active campaign under way. H. Thomson Leslie, consulting engineer, has just completed his examination and his detailed report will be available shortly. Officials are preparing plans for extensive exploration and development which will include a large footage of diamond drilling.

CHARTERED ACCOUNTANTS

R. H. B. HECTOR
Chartered Accountant
TORONTO

Black, Hanson & Co.
Chartered Accountants
Winnipeg, Fort William
and Port Arthur

RONALD, GRIGGS & CO.
Chartered Accountants
WINNIPEG
SASKATOON.

ARTHUR S. FITZGERALD
AND COMPANY
Chartered Accountants
WINDSOR ONTARIO

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

OSCAR HUDSON & CO.
CHARTERED ACCOUNTANTS
Head Office — 199 Bay St. — Toronto, Ont.
Telephone ADelaide 2381
Branches — Montreal, Winnipeg, Vancouver

Masecar, DeRoche & McMillan
Chartered Accountants
SASKATOON, SASK.

THORNE, MULHOLLAND, HOWSON & McPHERSON
CHARTERED ACCOUNTANTS
E. J. HOWSON
R. S. McPHERSON
Licensed Trustees
FEDERAL BUILDING
TORONTO
GALT
KITCHENER

RUTHERFORD WILLIAMSON & CO.
CHARTERED ACCOUNTANTS
RUTHERFORD WILLIAMSON, F.C.A. HAROLD A. SHIACH, F.C.A.
TORONTO, MONTREAL
Licensed Trustees and Receivers
Rutherford Williamson, F.C.A. F. R. McCutcheon, C.A.

J.P. LANGLEY & CO.
C. P. ROBERTS, F.C.A.
Chartered Accountants
TORONTO
KIRKLAND LAKE
ONTARIO

McDonald, Currie & Co.
Chartered Accountants,
Licensed Trustees & Receivers
MONTREAL TORONTO QUEBEC OTTAWA

CLARKSON, GORDON, DILWORTH & NASH
CHARTERED ACCOUNTANTS
15 Wellington Street West, Toronto
Toronto—Montreal—Hamilton—Winnipeg—Vancouver
E. R. C. CLARKSON & SONS
Licensed Trustees and Receivers
15 Wellington Street West, Toronto

Will the Socialists Capture British Columbia?

Government Attempts New Deal To Appease Growing Radicalism

By CHARLES L. SHAW

VANCOUVER.—Perhaps you can put it down to sun spots or a shift in the Japanese current, but strange things have been happening in British Columbia during the past year or so.

Who, for instance, would have imagined a decade ago that Vancouver would today have a Socialist mayor? And, if that was not surprising enough, Vancouver recently rejected the candidates of the two old-line parties and elected a Socialist—and a woman at that—to represent the city in the Legislature.

Events like these, coupled with an attitude on the part of the Government of Premier T. D. Pattullo, which cannot always be truthfully described as friendly to business, have given industrialists and others engaged in commercial activity in Canada's Pacific province a throbbing and persistent headache. And they have caused no end of worry to the politicians.

Socialist Mayor

Blustering Gerry McGeer, who threatened to slash Vancouver's bond interest, was regarded in his time as a foe of established business principles. But in Dr. Lyle Telford, white-haired, mass-appealing radio orator, who is also a Socialist member of the Legislature, Vancouver businessmen have their greatest source of annoyance in recent memory. His flair for investigations, usually abortive, have caused unsettlement and lack of confidence.

There seems to be a moral in these happenings, and observers say that it all sums up to this: That so long as the orthodox parties, the Conservatives and Liberals, believers in the capitalist system and the traditional way of political and economical life, continue to joust with each other in British Columbia elections they will leave the door wide open for the Socialists, committed to the idea of sweeping changes in the present system.

Only a few years ago the Socialists, as represented by C.C.F., could safely be ignored. Even today they have only eight members in the Legislature, compared with an equal number of Conservatives and 29 Liberals. But wise politicians no longer discount their strength, and the municipal election and the provincial by-election there are regarded as significant straws in the wind.

Liberal strength lies in the fact that rural districts are so far not very much imbued with the Socialist doctrine, which seems to thrive best in the centres of population. Out in the country the interest is the same as it has been for generations—in roads, schoolhouses, farm problems and latterly in relief. But half the people in British Columbia live within a comparatively narrow radius of Vancouver, and few will deny that the Socialist bloc in that area is a powerful one and disconcertingly active.

Unlike the less active Conservatives and Liberals, who work themselves into a lather of excitement only at election time and only then with lofty minded reluctance, politics is an all-year-round occupation of the Socialists. They carry their theories and their enthusiasm into their bridge clubs, their picnics and beer parlor get-togethers.

Potent Force

Socialists at present in the Legislature represent only a noisy minority and are not even in the position occupied a few years ago by a handful of independents who could sway the whole house by voting with or against the Government. But Liberal administration of Premier Thomas D. Pattullo is shrewd enough to realize that Socialism is a potent force, and that behind the half dozen legislators wearing the C.C.F. badge are thousands of alert, dyed-in-the-wool partisans who would dearly like to get their hands on the existing system in British Columbia and tear it apart.

Because of this clear realization, the Pattullo administration in recent years has shown a pronounced drift toward social legislation—more regulation of business and industry, more money for pensions and laws favoring the working man. It is an old axiom that governments are a reflection of the people that put them in office, and in British Columbia this holds as true as anywhere else.

It is also accepted fact that British Columbia's Government is a reflection of the people who might conceivably put it out of office. The canny Mr. Pattullo, perceiving the direction of the wind, has been quick to trim sails accordingly.

Political Shoals

Political seas in British Columbia have required some adroit navigation by Mr. Pattullo and his officers in recent months. While he walks the bridge of his ship of state, he has been obliged to keep a lookout in two directions. To avoid the shoals of electoral defeats that lurk in neglect of the increasing demands for socialization, he has been watching the left and steering a perilous and costly course. This has brought rebukes and outright condemnation from business and industry that groan under the load of mounting tax bills.

To avoid curse of another western province he has been forced to favor the right, meeting bond maturities on time with cash or sinking funds and assuring the money markets, through his astute finance minister, John Hart, that, come what may, B.C. intends to maintain its credit.

There is this to say for Mr. Pattullo and his advisors—they never once flirted with the idea of funny money, inflation or repudiation. In the early days of Social Credit in Alberta, Premier Aberhart often went to British Columbia for a holiday, and he seldom missed the opportunity of urging an economic alliance between the two western provinces. But Pattullo was never tempted; nor did he fail to heap ridicule on the Alberta experiment. More than once John Hart, somewhat annoyed by the tendency of the East to place all the western provinces in the same financial category, has declared that if British Columbia ever failed to keep its financial promises it would have to start looking for another finance minister.

Hart Pays Bills

John Hart's view on finances is the official view, but there are other members in the Cabinet who, while leaving to Mr. Pattullo and Mr. Hart the responsibility of paying the bills, have been outspoken in urging greater concessions to the masses, all of which cost money. George Pearson, high minded and able administrator, one of the best all-round cabinet ministers British Columbia has had in years, has a way of peering into the future and finding a mildly socialized state which confuses and alarms the more conservative. Dr. George M. Weir, a progressive intellectual, lured away from the University of British Columbia to join the Pattullo Cabinet, is little less than a fanatic on such drastic reforms as socialized medicine.

And both men, apart from being idealists, practical or otherwise, are stubborn men. Two years ago, when even members of his own party foresaw only disastrous defeat for health insurance as a government bill and counselled its abandonment, Dr. Weir stood his ground, with the result that adoption of the system in some form is virtually a certainty. And Pearson, deaf to the arguments of those who saw only trouble brewing, continued to hammer for the principle of collective bargaining, with the result that B.C. now has on its statute book some of the most advanced labor legislation of any Canadian province.

B. C.'s New Deal

Mr. Pattullo publicly denies that he has patterned his administration after that of Roosevelt's New Deal. He owns to admiration of the American president, but declares that he has adopted the Roosevelt policies only where they were readily adaptable to B.C. conditions. Yet many have discerned in the Pattullo plan several aspects of the New Deal in miniature.

One of his first official acts on becoming premier was to appoint a "brain trust." It was to be a sort of economic council, a group of elder statesmen or business leaders who would be able to give the Government the benefit of their practical experience in economic affairs. Actually, it was appointed partly in response to the demand for "business administration" as voiced in the famous but all-but-forgotten and hopelessly ignored Kidd report, which was the result of an independent investigation into provincial affairs by outstanding industrialists and financial men.

The report advised drastic economies. The Government, apart from pointing out that many of the suggestions were not practical, did nothing about it.

But Mr. Pattullo did name his economic council and to see that it functioned regularly he placed at its head Dr. W. A. Carrothers, a brilliant university professor with a flair for statistics and an ability to explain them in everyday language. But it soon became apparent that the only member of the brain trust to function regularly was Dr. Carrothers. And another thing was discovered: That Dr. Carrothers had very definite leanings toward practical socialism.

The economic council gradually disbanded, but Dr. Carrothers remained, and in the months that followed he was to become the Pattullo Government's general handyman in economic matters. And Roosevelt probably listened no more intently to any of his college advisors of the New Deal than did Mr. Pattullo to the industrious Dr. Carrothers.

"Economic Bondage"

Dr. Carrothers, indeed, developed for Mr. Pattullo a ready-made economic argument that has been emphasized and expanded over and over again—that British Columbia is in economic bondage to the eastern high-tariff provinces: that while British Columbia must sell its primary resources—lumber, metals, fish and other commodities—in world markets in competition with such notoriously low-cost countries as Japan, Russia and Scandinavia, B.C. has had to buy the bulk of its goods from eastern Canada, where the industries enjoy tariff protection.

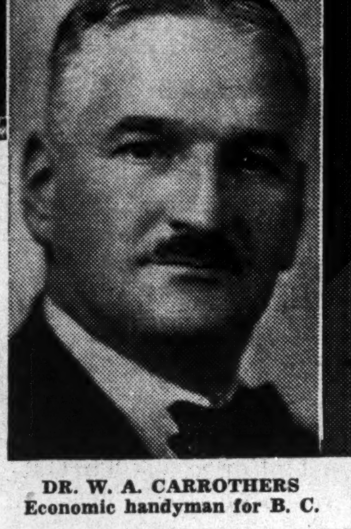
Thanks to the Empire tariffs, British Columbia, which is becoming more and more dependent on her exports of primary products such as lumber, logs, metals and canned salmon, has been able to give a good account of itself in balancing her trade. The figures for 1937 are the latest ones available for comparison. They show that British Columbia had a favorable balance of trade with Empire and foreign countries amounting to $86,730,541 in 1937, compared with $62,095,509 the previous year, a net increase of $24,635,032.

But back in 1937 British Columbia's advantage in export markets was offset by an adverse balance of trade with other provinces amounting to $42,499,782, incidentally an increase of $3,287,593 over the figures for the previous year. The province therefore had a favorable balance of trade with all regions amounting to $44,230,759 in 1937.

DR. J. LYLE TELFORD
Socialist mayor of Vancouver.

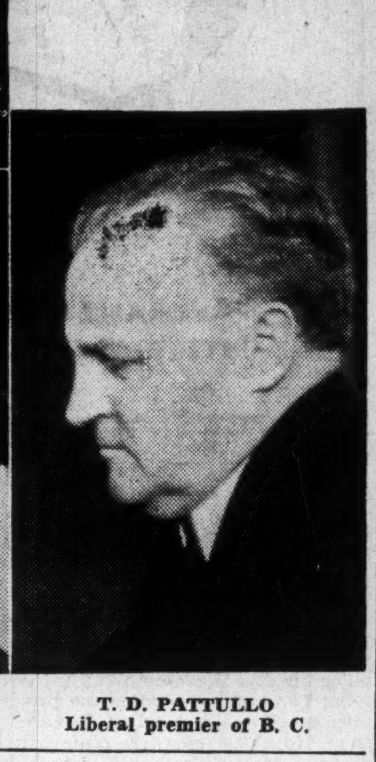
Leading personalities in British Columbia's swing toward socialism are shown in this layout.

At left, Mrs. J. Stuart (right) celebrates victory in provincial election with Socialist friends.



DR. W. A. CARROTHERS
Economic handyman for B. C.

G. G. McGEER, M.P.
Former mayor of Vancouver.



T. D. PATTULLO
Liberal premier of B. C.

Superficially, this places British Columbia in an enviable position. So long as the province is able to command a dominant position in the United Kingdom lumber market, for instance, her lumber industries will keep the balance on the favorable side, and the same may be said of the other large exports. But will that dominance continue indefinitely?

The new agreements with Great Britain and the United States have already cut into British Columbia's tariff advantage to some extent, and it must be kept in mind that in 1937, when British Columbia was reporting a handsome foreign trade balance, shipments of lumber to the British market set a new peak. It is true that another record was set last year and it begins to look as though the feat will be duplicated in 1939, but even the most optimistic lumberman will tell you that sales to the United Kingdom are now at their high-water mark; that the amazing British building boom cannot go on forever.

This spring Mr. Hart was able to announce that British Columbia's revenues from all sources were the highest in history—more than $30 millions. But even with a record income British Columbia managed to balance its budget only by making no allowance for unemployment relief. Critics of the Government wonder what may happen if real industrial depression should come to B.C., since the province has a tussle to make both ends meet in periods of relative prosperity.

Wasting Resources

British Columbia is a storehouse of many varieties of wealth, but gone are the days when banquet speakers are applauded when they speak of the province's inexhaustible resources. Too many people know the facts; that the biggest revenues from industry in British Columbia are derived from the forests, which are going faster than they are being reproduced, and from mines, representing a wasting resource.

Of British Columbia's total land area almost one third is barren, one third carries forest cover of no commercial value, and one third is forest soil capable of valuable production. Of the productive third, one third is already denuded through unwise logging methods, fire or a combination of these two, according to provincial forest authorities. This vast area, capable of producing wealth, approximately 40,000 square miles (equal to the total area of Scotland and Wales—almost the total area of England) grows nothing of value. In this classification British Columbia forest fires have denuded an area of virgin timber equal to the total area of New Brunswick.

Official estimates say it would cost $25,000,000 to restock the best of this land for timber. Failing that expenditure, which at the moment doesn't seem likely, the land will continue a dead loss for generations.

This may seem pessimistic, but it is based on the best available analysis, and it expresses in bald terms what has happened to British Columbia's greatest natural heritage—her forest. The biggest lumberman in the province admits that barely half a dozen logging companies have sufficient timber to keep them operating for more than 10 years; the era of the great Douglas fir trees, which have enabled B.C. to produce lumber at a price competitive with Russia and the Scandinavian countries in such a distant market as the United Kingdom, is passing. In 15 years it may be gone. Already the lumber industry is preparing for the transition, for the day when it will be compelled to utilize timber species now neglected and concentrate on smaller, second growth forest.

When that day comes, the pulp and paper industry may replace the sawmills as the dominant factor in the timber situation in B. C. But in the meantime the vast and complicated machinery that has made B.C. one of the leading lumber exporting regions of the world will have to slow up to change gears. Already the pulp and paper men are looking to the future with misgivings as they see Japanese and other ships loading for export B.C. raw logs that in years to come might provide payrolls for the artisans employed in their mills.

Seek Stable Economy

The danger signs are already hoisted, even though serious trouble may be a long way off. The point is that the present age is witnessing the exploitation of B.C.'s natural resources on a scale never before duplicated and not likely to be repeated. Visualizing the trend, the men who control the province's destiny are looking ahead and planning and trying to work out a formula that will place B.C.'s economy on a more stable footing for the years to come. B.C. cannot go on indefinitely deriving most of her livelihood from metals that cannot be replaced and from timber that is not being replenished. The frontier is gradually being narrowed; the pioneer era even in B. C. belongs to the past.

Recognition of this basic fact is responsible for the rising demand for so-called social legislation. People are no longer content to worry the soil for a bare living in the backwoods; they have congregated in the cities. Unlike several other provinces, British Columbia is not basically agricultural and apart from her orchards in the Okanagan the province has no really important agricultural crop, except the truck farms clustered around the cities, catering only to domestic demand and largely controlled by Orientals. This situation has encouraged the movement to the urban centres and probably in no other province is there such a concentration of the total population as there is now in the Greater Vancouver area.

Vancouver Holds Key

And it is in Vancouver that Socialism and the demand for so-called Social legislation has grown, and in framing New Deal legislation at Victoria, B. C.'s law makers have obviously had an eye on Vancouver, the C.C.F. vote and all that it represents. The appeal has been to the masses, the little fellows with the slim incomes who are becoming every year more conscious of their power as expressed by the ballot.

In such a category, probably, has been the fight for lower gasoline prices, one of the most contentious issues to be faced by British Columbia business interests in a decade. Since the province produces no oil and the Rocky Mountains have so far checked the inflow of Turner Valley oil except in negligible volume, B.C. has been compelled to import all its petroleum products—mostly from southern California. The business has been in the hands of a few large corporations most of which are subsidiaries of the major American oil groups.

From the strictly political standpoint, cheaper gasoline, with the big foreign companies paying the shot, was a "natural." The companies would protest—as protest they did most emphatically — but the consumer, and especially the little fellow for whom every cent in the price of a gallon of gas means something in the weekly budget, were bound to welcome it and express their gratitude in their own way. That, at any rate, was the way the politicians had sized up the situation.

And that wasn't the only consideration. One of British Columbia's pioneer industries is coal. Since the days of the Hudson's Bay Company's domination in the West, the black nuggets of Nanaimo have been feeding the bunkers of coal-burning ships in the north Pacific. But the coal industry has fallen on evil times, and the coal operators quite frankly lay the blame on imported fuel oil.

Oil Companies Hit

The Government appointed a commission to study this claim. After a long and costly investigation, the commission handed down its report, charging that foreign fuel oil was being sold in B.C. at prices so low that domestic coal couldn't possibly stand the competition, and that the low oil prices were made possible by artificially high gasoline prices. In other words, said the commission, motorists were being made to subsidize the agency of coal's ruin.

The oil companies denied all this; they claimed that the commission had ignored important testimony, drawn erroneous conclusions; that gasoline prices in B.C. were favorably comparable with those charged elsewhere, and they pointed out that more than 30 cents of every gasoline dollar went to taxes.

But the Government had made up its mind. Premier Pattullo himself exploded the bombshell when he announced that gasoline prices were to be cut. Meantime, to sort out the complicated material in the commission's report and make it applicable, Mr. Pattullo had appointed the versatile Dr. Carrothers as chairman of a fuel board to regulate the oil, gas and coal industries and fix prices where necessary.

Government Control

Dr. Carrothers surveyed the situation and brought down a series of orders reducing the retail price of gasoline as much as four cents a gallon! This was a shock to the oil companies and they immediately went to court about it, winning an injunction, rejected in a higher court and still contested. The issue will probably not be settled until the Privy Council deals with it.

Another move to woo the lower-income brackets has been public utilities control. Long ago, the Liberal party in British Columbia set down the control of public utilities as one of its major planks, but only at the last session of the Legislature was the act put through, placing the regulation of power, light, traction and similar facilities under a commission headed by the resourceful Dr. Carrothers.

One more bid for support from the little fellow had been British Columbia's experiment with fixed prices for farm products and agricultural control. Long before Canada was bonusing wheat and worrying about crop surpluses, the fruit growers in the Okanagan were trying out voluntary co-operation and when that failed they won the approval and backing of the Provincial Government in compulsory price regulation and sales.

When the Bennett Government brought in its federal measure for the control of marketing of natural products, British Columbia was ready with a plan already worked out and functioning, even though it had encountered a few rebuffs in the courts. Since then, the provincial legislation has been upheld judicially, and the result has been the creation of a multiplicity of marketing boards, all operating with the sanction and authority of the Provincial Government, causing no end of confusion from time to time, but nevertheless basically designed to give the little man a break.

Surplus Profits Tax

Then there is the tax on surplus profits, a piece of legislation unique in Canada, passed at the last session of the Legislature. It was originally designed, and so described, as a means of corraling into the field of taxation flagrant cases of evasion on the part of a few "family corporations" and other groups which had formed holding companies for the purpose of dodging surtaxes. It was claimed that there had been instances of businesses with a relatively small capital accumulating huge surpluses without distributing stock dividends. The Government, through its new amendment to the Income Tax Act, said in effect: "Distribute your surplus profits or pay a 15% levy on them."

Business saw in this new impost the adoption of another Roosevelt theory—taxation of undistributed profits. And business made the same protest that business in the United States has made: That compulsory disbursement of accumulated funds will slow up legitimate expansion.

One Vancouver merchant, ordered to break up his surplus or pay the tax, claimed that to conform with the law would be to lose nearly one third of his credit rating and force abandonment of his plan to erect a new building. But the Government, determined that its law was reasonable, stood firm. And Socialists, favoring any measure to "soak the rich," heartily approved.

Vain Kicking

Don't imagine that all these ventures into the realm of regimentation have not been met with opposition, but mostly the kicks have come from the big industrialists and the businessmen who see in every shift toward artificial control of marketing and in every attempt at public subsidy for the less fortunate an increase in the cost of operation.

But most of the protests have fallen on barren ground. The title of Roosevelt's book on the progress of his New Deal was "On Our Way." And Mr. Pattullo's Government in its programme of social legislation is also on its way. Not easily will it be turned from its course. The Vancouver Board of Trade found that out when it protested against a clause in the proposed public utilities board providing that appeals from the board's rulings would go to the Cabinet, rather than to the courts.

The Board of Trade thought this a dangerous precedent inasmuch as it would lend itself to political control over industry, perhaps not during the present administration but during that of some succeeding government definitely unfriendly with business. But Mr. Pattullo replied that the Board of Trade's suggestion was not in the public interest, and that was that.

Socialism Versus Business

It's pretty obvious now to the student of public affairs in British Columbia that the lines are forming now for a long drawn-out contest between the socially conscious and increasingly assertive Socialist army and the battalions of orthodox, stand-pat business; between those who seek more and more public control over commerce and industry and those who cling to the established and traditional way—the capitalists, if you like, although the term capitalist is often accepted erroneously as the symbol of the high-salaried tycoon and the idle rich.

As we have noted, no one is more aware of this struggle than Mr. Pattullo, who is seeking to find just the right balance, politically and economically, between the two groups. Whether the C.C.F. gets anywhere in B.C. politics; that is to say, gains control of the Government, time alone can tell. But already it has accomplished many reforms and it has forced both major parties, the Conservatives as well as the Liberals, to pay some heed to the clamor from the left. It has applied the brakes to those ruthless individualists who, given half a chance, have cheerfully squandered the resources of the country regardless of where they happen to be operating.

The attitude of British Columbia's business leaders is that social legislation and reasonable government control are all right in principle, but can the country stand the cost? Some of the farmers feel the same way about it, as evidenced by their refusal recently to pass school by-laws providing for advanced curricula and other things under their definition of "fancy schooling."

Must Keep Costs Low

One of the province's outstanding industrialists, H. R. MacMillan, expressed it this way, a few days ago: "So long as British Columbia's wage income and prosperity are dependent on her ability to compete against other countries in foreign markets, it is folly to increase the cost of production by burdensome social legislation. We cannot afford to buy dear and sell cheap. So long as we depend chiefly on external markets, the object of our laws should be to reduce the cost of living, not to increase it."

Mr. Pattullo himself realizes that there is a limit beyond which it is unsafe to go. Recently he declared: "Don't push things too far. We have been moving farther in British Columbia in the field of social legislation than any other province in Canada, and don't forget that our industries have to meet unfair competition from other provinces, and the competition of foreign countries.

"Our industries have been bearing it and apparently are doing fairly well, but don't drive this situation too hard. You can kill the goose that lays the golden egg."

Your Investment Questions Answered Without Charge

As a subscriber to The Financial Post you are entitled to information regarding any Canadian investment that you are interested in.

If not already a subscriber, address your enquiry to The Investment Department when sending in your subscription.

USE THIS COUPON

THE FINANCIAL POST,
481 University Ave.,
Toronto 2, Canada.

Please send me The Financial Post for the next year (52 issues). I enclose $5.00.

Name ....
Occupation ....
Address ....F.P.

Social and Economic Research

Here is the equipment whereby formulas for social and business progress may be developed

WITHOUT knowledge or information at his disposal, a person is greatly handicapped in the promotion or extension of any venture he may undertake. On the other hand, the possibilities of success are definitely increased, if one is well posted on all the facts—past and present—that are associated with the venture and the conditions related to it.

Depending upon persons and circumstances, this venture may be a plan for social betterment or for business enterprise. Perhaps it is the building of a school—the raising of a particular kind of farm product or livestock — the catching and curing of fish — the administration of a health department—the manufacture or export of certain commodities; or it may be connected with mining, lumbering, smelting, building, brickmaking or any one of hundreds of different ventures that commonly interest Canadian citizens.

But whatever it may be—full information about it is available from the Dominion Bureau of Statistics, Ottawa, and this information is accessible to all.

Figures Give You Facts— Show You Future Possibilities

Take the tourist trade for instance. Records compiled by the Bureau show the growth of the trade year by year and approximately how much the tourists spent while in Canada. It is known how many came by car —by train or over ocean routes; also how many visited each province and in what month they arrived.

Then to a person interested in apples, the Bureau can furnish data on what quantity has been consumed in Canada year by year — also what quantities are exported and where to—and their value. Similar data are available for every other product of farm, forest, mine and fishery.

On matters pertaining to the health of Canadian citizens there is a tremendous amount of useful, authentic information covering every province and presenting a valuable array of facts in an orderly manner, correctly co-ordinated and easily understood.

Similarly on hundreds of other subjects related to the social and business life of Canada, the Dominion Bureau of Statistics furnishes abundant information.

As a whole, these statistics are a record of Canada's accomplishments and a barometer of social and business trends. They indicate possibilities of progress for the years to come.

Fifteen Branches Co-operate in This Service

All the facilities of the Bureau of Statistics are maintained for the use and benefit of Canadian citizens. To cover and present all phases of its work, the Bureau issues approximately 500 different publications — weekly, monthly, quarterly and annual. For business men the Canada Year Book is one of the most useful of these publications. It is a well-bound volume of some 1141 pages crammed with tabulated and other information which represents exceptional value at $1.50; procurable from the King's Printer, Ottawa.

A list of all Bureau publications will be well worth checking over to note their contents and to secure those which best serve your interests. The Bureau cordially invites inquiries and promptly attends to all correspondence. Address your letters to Dr. R. H. Coats, Dominion Statistician, Ottawa.

DOMINION BUREAU OF STATISTICS

DEPARTMENT OF TRADE AND COMMERCE

HON. W. D. EULER, M.P., *Minister*
J. G. PARMELEE, *Deputy Minister*

38M